



**KINGSTON
PROPERTIES
LIMITED**



ANNUAL REPORT 2025

“Reimagining REIT”



KINGSTON PROPERTIES LIMITED

As **KPREIT** continues to grow and evolve, our vision, mission and purpose remain the foundation of how we serve shareholders and other stakeholders.

VISION

To be readily recognized as THE pioneering **REIT** based in the Caribbean known for creating exceptional and sustainable value for our stakeholders.

MISSION

Our mission is to generate extraordinary returns for our shareholders through the acquisition, development, leasing and management of global real estate, executed by our talented, committed team, in a socially and environmentally responsible way.

PURPOSE

We make real estate investing accessible and rewarding to people at all levels.



**KINGSTON
PROPERTIES
LIMITED**

NOTICE OF THE 18TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 18th Annual General Meeting of **KINGSTON PROPERTIES LIMITED** will be held at **Courtleigh Hotel and Suites, 85 Knutsford Boulevard Kingston 5** in the parish of St Andrew in Jamaica on **June 11, 2026 at 10:00 a.m.** for the following purposes:

1. To Receive the Audited Accounts for the year ended December 31, 2025, and the Reports of the Directors and Auditors.

The Company is asked to consider and if thought fit, pass the following Resolution:

Resolution 1: "THAT the Audited Accounts for the Year Ended December 31, 2025, along with the reports of Directors and Auditors, circulated with Notice convening the meeting, be and are hereby adopted."

2. To Declare Final Dividend

The Company is asked to consider and if thought fit, pass the following Resolution:

Resolution 2: "THAT the interim dividend of US\$0.000566 per share paid on August 25, 2025, be and is hereby declared as final for the year ended December 31, 2025."

3. To Elect Directors

(a) The Directors retiring by rotation in accordance with Article 107 of the Company's Articles of Incorporation are: Mr. Gladstone Lewars and Ms. Nicole Foga, who, being eligible for re-election, offer themselves for re-election.

The Company is asked to consider and if thought fit, pass the following Resolutions:

Resolution 3: "THAT Mr. Gladstone Lewars retiring by rotation, be and is hereby re-elected."

Resolution 4: "THAT Ms. Nicole Foga retiring by rotation, be and is hereby re-elected."

(b) Mr. Frederick Williams was appointed a Director of the Company on March 2, 2026. In accordance with Article 105 of the Company's Articles of Incorporation, his appointment expires on the date of the Annual General Meeting and being eligible, offers himself for election.

The Company is asked to consider and if thought fit, pass the following Resolutions:

Resolution 5: "THAT Mr. Frederick Williams, retiring pursuant to Article 105 of the Company's Articles of Incorporation, be and is hereby elected."

4. To fix Directors' Remuneration

The Company is asked to approve the remuneration of the directors in accordance with Article 87 of the Company's Articles of Incorporation.

Resolution 6: "THAT the remuneration payable to the Directors of the Company for the financial year ending December 31, 2026, be and is hereby approved in the manner and amounts as presented to the Company."

5. To Appoint the Auditors and Fix their Remuneration

The Company is asked to consider and if thought fit, pass the following Resolution:

Resolution 7: "THAT KPMG having signified their willingness to continue in office as Auditors, the Directors be and are hereby authorized to agree to their remuneration in respect of the period ending with the next Annual General Meeting."

6. To transact any other ordinary business of the Company.

By Order of the Board of Directors

Nicole Foga
Company Secretary

Registered Office:
**7 Stanton Terrace,
Kingston 6, Jamaica**

April 29, 2026

NOTE:
Any shareholder entitled to attend the Meeting and vote is entitled to appoint a proxy to attend and vote instead of the shareholder. A proxy need not be a member of the Company. A proxy form is enclosed for your convenience. The proxy form must be signed, stamped and deposited at the registered office of the Company situated at 7 Stanton Terrace, Kingston 6, St. Andrew addressed to "The Company Secretary" not less than 48 hours before the time of holding the Meeting. The stamp duty is \$100.00 and may be paid by affixing adhesive postage stamps to the proxy form which stamps are to be cancelled by the person signing the proxy.



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Reimagining REIT is not just a theme, it is a commitment. Resilience, accountability, and sustainable value creation are the principles that will continue to guide this Board.

- Garfield Sinclair - Group Chairman





CORPORATE PROFILE

Seventeen Years of Building Access to Real Estate Investment

In 2025, Kingston Properties Limited, known as KPREIT, marked its 17th anniversary. Since our incorporation in 2008, we have helped to widen access to real estate investments by giving shareholders the opportunity to participate in a diversified property portfolio across Jamaica and international markets.

We were originally established as Carlton Savannah REIT (Jamaica) Limited, with the ambition of creating a publicly accessible real estate investment vehicle. Our launch during the difficult period of the global financial crisis strengthened our resilience and laid a solid foundation for becoming the first real estate investment company to be publicly listed on the Jamaica Stock Exchange (JSE).

That pioneering beginning continues to shape who we are today.

Our strategy is built around disciplined property selection, active asset management, geographic diversification, prudent capital allocation, and a clear focus on long-term shareholder value.

WHO WE ARE

We own and manage a portfolio of income-generating properties across Jamaica, the Cayman Islands and the United Kingdom. We also have interests in real estate private equity funds in the United States of America. Our portfolio includes office, retail, industrial, mixed-use, and other real estate assets selected for their ability to generate stable cash flows and support capital appreciation over time.

KPREIT is headquartered in Kingston, Jamaica, with support from local and international real estate,



legal, financial, and property management professionals.

This operating model allows us to combine local market knowledge with access to opportunities in selected overseas markets.

Our long-standing motto, **Buy Local, Own Global**, reflects our investment proposition. Through **KPREIT**, shareholders can gain exposure to a geographically diversified real estate portfolio without having to purchase and manage property directly.

OUR VISION, MISSION AND PURPOSE

As **KPREIT** continues to grow and evolve, our vision, mission, and purpose remain the foundation of how we serve shareholders and other stakeholders.

VISION



To be readily recognized as THE pioneering REIT based in the Caribbean known for creating exceptional and sustainable value for our stakeholders.

MISSION



Our Mission is to generate extraordinary returns for our shareholders through the acquisition, development, leasing and management of global real estate, executed by our talented, committed team, in a socially and environmentally responsible way.

PURPOSE



We make real estate investing accessible and rewarding to people at all levels.

Together, these statements reflect how we create value: by building a resilient, diversified property portfolio that generates income, supports disciplined growth, and delivers long-term returns.

Strategic Structure for Global Reach

We operate through a group structure that supports our investment activities across Jamaica and selected international markets. **KPREIT** has six wholly owned subsidiaries:

1. **KPREIT (Cayman) Limited**, formerly **Kingston Properties (Saint Lucia) Ltd.** was redomiciled to the Cayman Islands by way of continuation on January 4, 2022. It is now a wholly owned subsidiary of **KPREIT (Saint Lucia) Ltd.**
2. **KPREIT (Saint Lucia) Ltd.** was incorporated in St. Lucia under the International Business Companies Act on December 29, 2021.
3. **Kingston Properties Miami LLC** was incorporated in Florida on March 12, 2010, under the Florida Limited Liability Company Act and is a wholly owned subsidiary of **KPREIT (Cayman) Limited**.
4. **KP (REIT) Jamaica Limited** was incorporated in Jamaica under the Companies Act on September 14, 2018.
5. **KP Dumfries Limited** was incorporated in Jamaica under the Companies Act on February 15, 2021.
6. **KPRE (UK) Limited** was incorporated in the United Kingdom on March 20, 2024.

The full portfolio is set out in the Property Portfolio section on page 55 and the detailed company profile is accessible on our website at www.kpreit.com

Investment Philosophy

We believe that well-selected real estate can provide both recurring income and long-term capital appreciation. Our long-term approach emphasizes properties that can generate stable cash flows, maintain strong occupancy, and support value creation over time.



Our investment decisions are guided by research, financial modelling and risk assessment. We consider factors such as market fundamentals, tenant quality, location, occupancy trends, rental comparables, capitalization rates, operating expenses, financing costs, and the potential for net operating income growth.

We also believe in active management. Working with internal and external property-management professionals, our team is dedicated to maintaining asset quality, supporting tenant relationships, and improving operating performance across the portfolio.

We have adopted a dividend policy of distributing up to 90% of Funds From Operations, subject to the Board's assessment of performance, liquidity, capital requirements, and market conditions.

INVESTMENT MANAGEMENT



Our investment-management process is designed to identify, assess, and acquire properties that meet our return objectives while managing portfolio risk.

Asset selection and retention are guided by several key considerations:

- properties with strong and consistent cash flows;
- markets with sound economic and property fundamentals;
- tenants with strong credit histories;
- the potential for net operating income growth;
- the likely capital appreciation of the asset; and
- the impact of the investment on our risk profile and liquidity, consistent with our sustainability metrics.

Our property selection process includes rent comparisons, market vacancy trends, capitalization rate analysis, historical sales comparisons, and review of market data for

asset classes such as office, retail, industrial, and mixed-use properties and relevant environmental ratings.

Asset retention decisions are supported by valuation modelling, including analysis of projected cash flows, rent growth assumptions, vacancy risk, operating expenses, insurance, taxes, repairs and maintenance, property-management fees, and funding costs.

Deal structuring is also a critical part of our process. We assess the most efficient way to finance each acquisition or asset-holding strategy, using a mix of common equity, debt, and other financing structures where appropriate. The ability of each asset to cover operating costs and meet financing obligations is evaluated before final approval.

The Investment and Risk Committee reviews proposed transactions and considers their impact on our financial position, risk profile, and strategic objectives. Where the Committee is satisfied, recommendations are made to the Board for final approval.

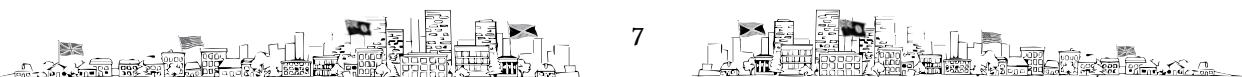
PROPERTY MANAGEMENT



Property management is central to our ability to preserve asset value, maintain occupancy and generate reliable cash flows.

Our property management process includes lease administration, rent collection, common-area maintenance, property-management fee collection, insurance coordination, property tax compliance, maintenance oversight and tenant engagement. It also includes the marketing of available space to support occupancy and rental targets.

We use a combination of internal oversight and external professionals to manage our properties. This allows us to monitor rental rates, physical condition, maintenance requirements



and tenant satisfaction across the portfolio. Active property management is a hallmark of maintaining good tenant relations to ensure consistent and stable cashflows.

Tenant selection is an important risk management tool. For commercial properties, we use screening and referral processes, supported where applicable by financial and legal due diligence.

Active property management also supports cost control. Repairs and maintenance are managed with attention to both tenant needs and the long-term condition of the asset.

BUSINESS STRATEGY



Our business strategy is focused on building a resilient, income-generating property portfolio while maintaining operating efficiency and disciplined capital allocation.

Our operating model is designed to keep fixed costs relatively low while growing revenue and net operating income. This supports our mission of increasing shareholder value over time.

Portfolio Diversification

We use geographic and sector diversification to reduce concentration risk and strengthen portfolio resilience. Our investments across Jamaica, the Cayman Islands, the United States of America and the United Kingdom are intended to balance opportunity, income generation and risk exposure.

This approach is also relevant to climate-related risk. With part of our portfolio located in markets exposed to hurricanes and other weather-related disruptions, geographic diversification remains an important part of our long-term resilience strategy.

Acquisition Strategy

We pursue a focused acquisition strategy, targeting properties with attractive yields, sound market fundamentals and potential for income growth. Proposed acquisitions are supported by market research, valuation analysis, cash-flow modelling and risk review.

Capital Strategy

We use capital markets and financial institutions to support portfolio growth. Funding may include bank financing, common equity or other structures, depending on market conditions, asset profile and shareholder considerations.

Risk Sharing

Where appropriate, we may consider partnerships or joint-venture structures that allow us to participate in larger transactions while managing exposure. These arrangements are assessed against our governance, control, risk and return requirements.

Capacity Building

We continue to build organizational capacity through professional networks, market relationships, training and specialist support. This includes strengthening our ability to source properties, structure transactions, manage assets and operate across different jurisdictions.

Sustainability and Environmental Stewardship

We recognize that environmental performance is increasingly important to asset quality, operating efficiency, tenant expectations and long-term value creation.

As a property investment company with exposure to climate-vulnerable markets, we are also paying closer attention to climate-related risks, including extreme weather, insurance costs, building resilience, energy performance and changing tenant expectations.



Governance and Accountability

Our growth is supported by a governance framework that includes Board oversight, committee review and management accountability. Investment decisions, risk considerations, financing structures and major strategic actions are subject to review through our governance processes.

We continue to strengthen the way we document and report governance practices, including clearer disclosure of policies, committee responsibilities, risk oversight and internal controls.

CORPORATE OBJECTIVES



Our core objective is to deliver long-term value to shareholders through disciplined investment in income-generating real estate. This is supported by our focus on:

- growing recurring rental income;
- improving net operating income;
- maintaining a diversified property portfolio;
- managing country, sector, tenant and financing risks;
- strengthening governance and internal controls;
- improving environmental and sustainability reporting; and
- supporting dividend capacity through stronger cash flowing properties

FUNDS FROM OPERATIONS



Our strategy is rooted in disciplined investment, active property management, prudent financing and responsible stewardship of assets. Eighteen years after our founding, we remain focused on building a portfolio that is resilient, cash-generative and positioned for long-term growth.

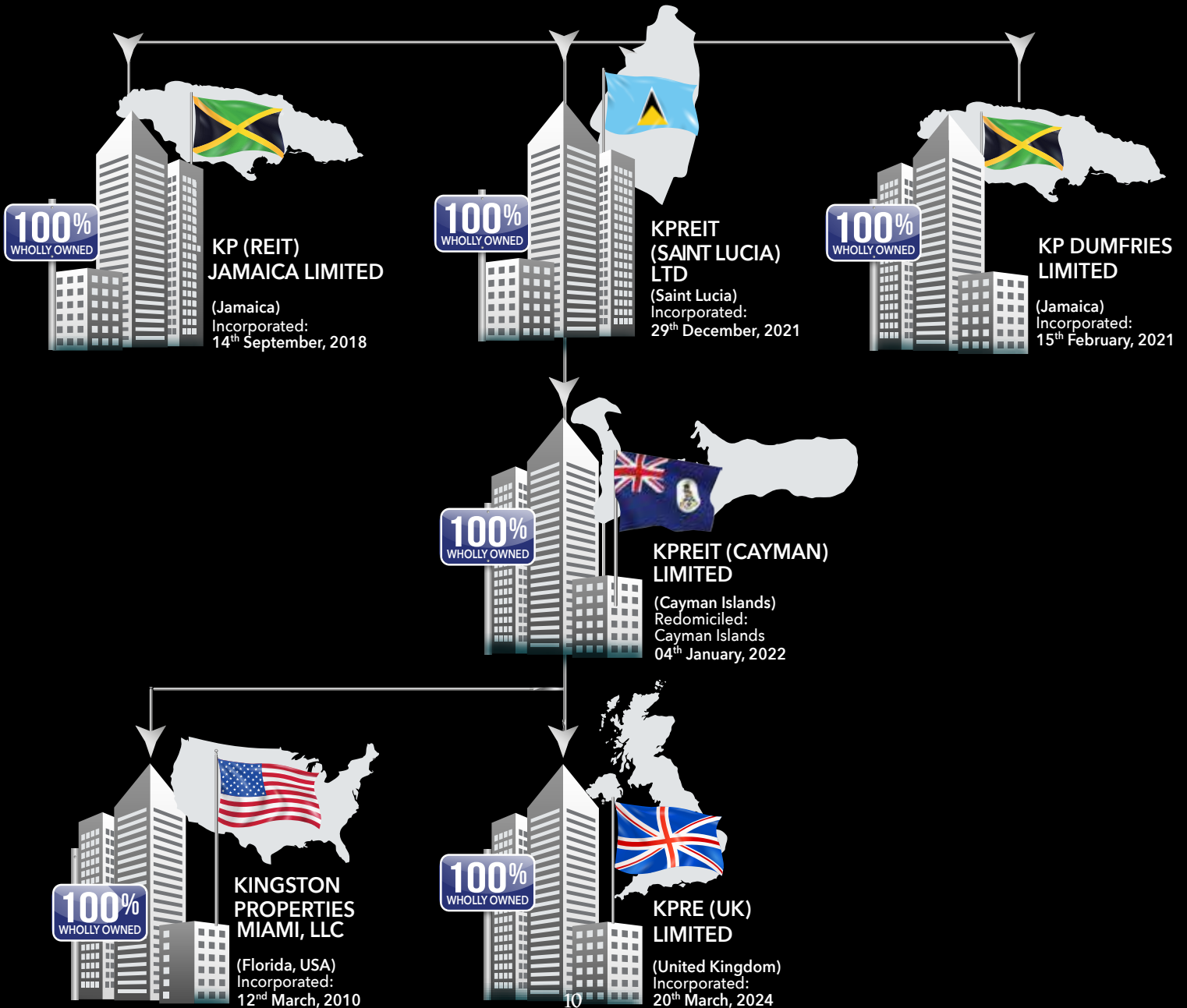




KINGSTON PROPERTIES LIMITED

- (Jamaica) Incorporated: 21st April, 2008 -

GROUP STRUCTURE



GROUP CHAIRMAN'S MESSAGE

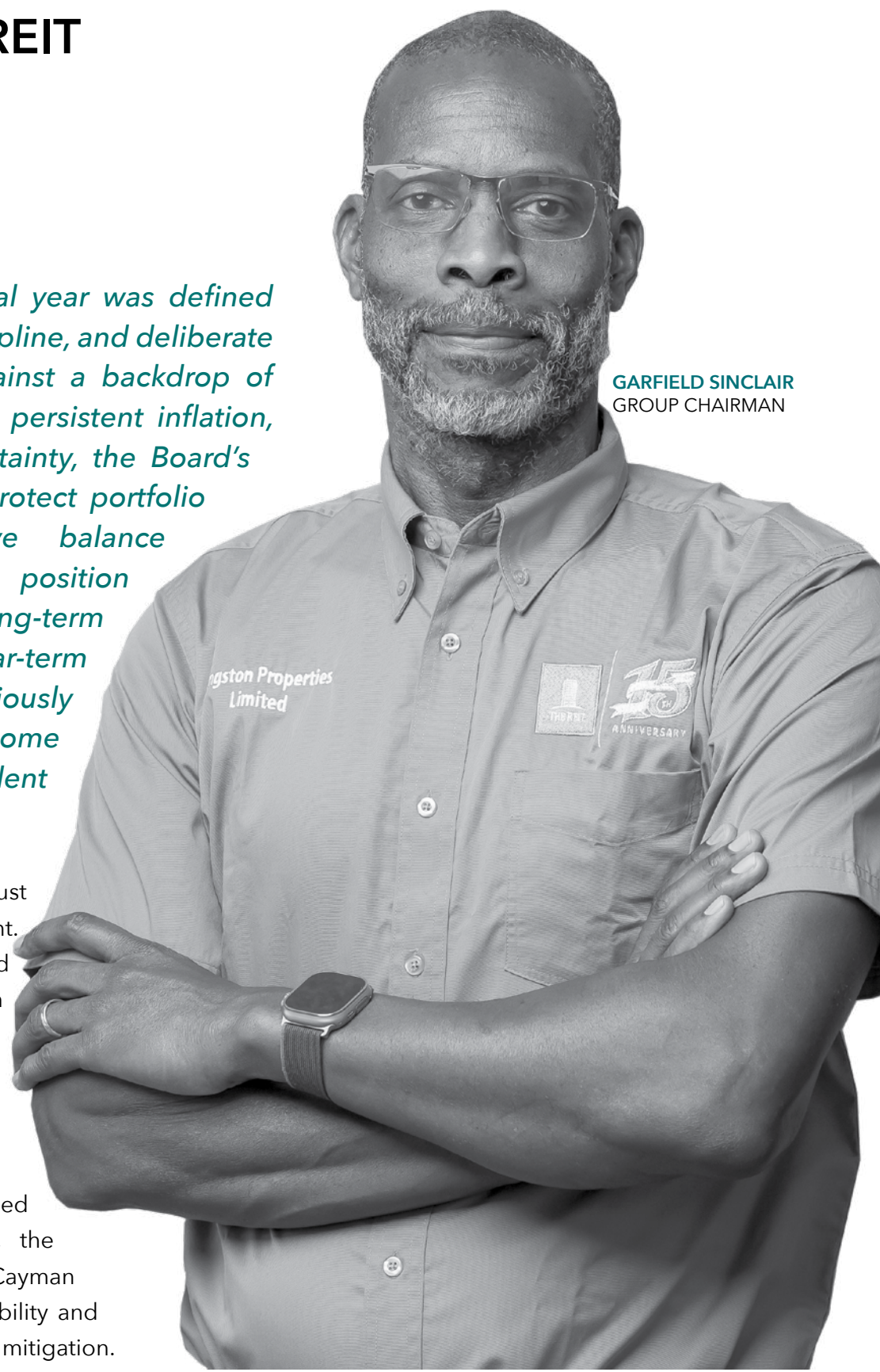
Reimagining REIT

The 2025 financial year was defined by restraint, discipline, and deliberate governance. Against a backdrop of elevated interest rates, persistent inflation, and geopolitical uncertainty, the Board's priorities were clear: protect portfolio performance, preserve balance sheet strength, and position **KPREIT** for durable, long-term value creation. Near-term expansion was consciously subordinated to income durability and prudent leverage.

Reimagining REIT is not just a theme, it is a commitment. Resilience, accountability, and sustainable value creation are the principles that will continue to guide this Board.

PORTFOLIO AND CAPITAL ALLOCATION

Our geographically diversified portfolio spanning Jamaica, the United Kingdom, and the Cayman Islands provides earnings stability and meaningful concentration risk mitigation.



GARFIELD SINCLAIR
GROUP CHAIRMAN

During the year, two UK property acquisitions extended our footprint beyond the hurricane belt, reinforcing our structural approach to risk management. Selective asset disposals enabled disciplined capital recycling without compromising investment quality standards. The Board applied rigorous oversight to each transaction to confirm earnings accretion, risk-appetite alignment, and support for long-term shareholder returns.

GOVERNANCE AND RISK OVERSIGHT

Governance quality is non-negotiable. The Board undertook a comprehensive review of committee charters and key policies, ensuring conformance with the PSOJ Corporate Governance Code and alignment with evolving global best practice.

Our Investment and Risk Committee conducted quarterly reviews of the risk management and internal controls framework, reporting findings to the full Board on a regular cadence. Transparency and timely stakeholder communication remained central to the Board's accountability mandate.

SHAREHOLDER RETURNS

Shareholder feedback reinforced a clear mandate: consistent, dependable income. Dividends were maintained in line with policy, balancing current earnings against the imperative to preserve capital in an uncertain environment. Looking ahead, the Board approved the 2026–2028 strategic plan with an explicit emphasis on improving dividend yield while sustaining financial discipline. This plan reflects our enduring commitment to operating in accordance with REIT principles irrespective of the absence of formal REIT legislation in Jamaica.

SUSTAINABILITY

Sustainability is now a core pillar of strategy, not a supplement to it. In 2025, we advanced energy efficiency initiatives across the portfolio and deepened the integration of environmental, social, and governance considerations into our investment decision-making framework. Our conservative approach to leverage remains an anchor of the Group's risk management posture.

OUTLOOK

The operating environment remains complex, shaped by elevated rates, measured global growth, geopolitical tension, and rising climate-related risk. Nonetheless, demand for well-located, high-quality commercial real estate remains resilient. KPREIT enters 2026 with a strong asset base, a diversified portfolio, and a disciplined management team. The Board's mandate is straightforward: safeguard long-term relevance, protect and grow shareholder value, and ensure capital allocation decisions support sustainable returns.

APPRECIATION

I thank our shareholders for their continued confidence, our tenants for their partnership, and our management team and staff for their dedication throughout the year. My fellow Directors deserve particular recognition for their counsel and stewardship as we navigate a demanding and evolving landscape. We move into 2026 focused on disciplined execution and long-term value delivery.





**KINGSTON
PROPERTIES
LIMITED**

FACT SHEET

RENTAL INCOME
\$6,047,763

NET PROFIT
\$4,162,126

TOTAL ASSET
\$94,235,552

TOTAL EQUITY
\$55,474,737

FUNDS FROM
OPERATIONS (FFO)
\$1,788,531

CASH PROVIDED
BY OPERATION
\$4,543,356

GROSS DIVIDENDS PAID
\$500,346

DIVIDEND PER SHARE
\$0.00057

516K
Square Feet of
BUILDINGS OWNED

117K
Square Feet of
LAND OWNED

OCCUPANCY
96%

Number of
JURISDICTIONS
5

kingston.properties

KINGSTON PROPERTIES LIMITED | ANNUAL REPORT | 2025

SPECIAL FEATURE

LIVE ON **YouTube**
MONEY MEDIA X KALILAH REYNOLDS

with **KALILAH REYNOLDS** and **KINGSTON PROPERTIES**

TATIANA ROWE
BRAND EXECUTIVE - OPERATIONS

KEVIN RICHARDS
CEO

ANDRAY FRANCIS
CFO

MONDAY MARCH 10 @ 7:00 PM

kingston.properties

GLOBAL RECYCLING DAY

RECYCLE HERE

RECYCLE HERE

RECYCLE HERE

RECYCLE HERE

Kingston Properties Limited (KPREIT) regrets to advise of the passing of Director, **Phillip Silveira**.

Phillip joined the Board in January 2021 and served with distinction during his 40+ year career in the financial industry. He was a dedicated professional and a valued member of the team. His passing is a significant loss to the company and the industry. We will miss his leadership and his commitment to the highest standards of the Group.

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Lived by Tatiana Rowe Kingston Properties Limited

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Great labour leads to great masterpiece

HAPPY LABOUR DAY

2024

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CELEBRATING 17 YEARS of Excellence

2008-2025

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INTERNATIONAL MEN'S DAY

Thank you for your integrity, support and authenticity. We have you as part of our team and we celebrate International Men's Day.

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To the mothers who build futures

Happy Mother's Day

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Kingston Properties Limited (KPREIT) acquires its third asset in the UK

Lakeview East, Crossways Business Park

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SHE BUILDS. SHE INSPIRES.

CELEBRATING Our Women

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CEO'S MESSAGE

Building Resilience, Enhancing Returns, and Positioning for Sustainable Growth

“

This year, KPREIT marks 18 years of operations, and we are entering a new phase of our business focused on strengthening performance, enhancing resilience, and delivering sustainable long-term value for shareholders.

The 2025 financial year was defined by a dynamic macroeconomic environment and a transitioning capital and real estate market with several rate cuts from global central banks. This led to strengthening of certain key currencies vis-à-vis the US dollar and sharper yields on investment properties in the jurisdictions we operate. While uncertainties were present in 2025 and still persist into 2026, our strategy of portfolio resilience, and disciplined capital allocation allowed the company to record 15 consecutive years of profitability.

Portfolio and Operational Performance

Despite these challenges, KPREIT demonstrated resilience and strategic discipline, delivering a performance that reflects the strength of our diversified real estate portfolio and prudent management approach. We continued to actively manage and selectively expand the portfolio across key markets. In the United Kingdom, we completed the acquisition of two fully leased office buildings, further advancing our strategy of geographic diversification beyond the Caribbean region. In the



KEVIN RICHARDS CCIM
CEO



Cayman Islands, the Gum Tree 5 warehouse development reached full occupancy, while Harbour Centre benefited from increased office leasing activity following the introduction of flexible office suites. We successfully completed the sale of the final unit at Tropic Centre One, as well as one unit at Gumtree 5 to boost the Group's liquidity position. In Jamaica, our industrial portfolio assets saw increased leasing activity, with higher re-letting rates ultimately boosting property values.

Our operating results during the year, remained strong due mainly to improved occupancy levels at our properties, additions to the portfolio and improved lease rates in Jamaica. These factors contributed to record operational results with rental revenue increasing by 28% to US\$6.1 million, while net operating income grew by 47% to US\$4.1 million. In our last strategic planning cycle, which ended in 2025, we pursued clear financial goals geared at (1) achieving US\$100 million in assets under management (AUM), (2) delivering a 10% return on average equity (ROAE), and (3) generating US\$2 million in funds from operations (FFO). While the ROAE target was met in two of the three years, 2025 results were adversely affected by one-off fair value adjustments within our private equity portfolio and higher-than-expected doubtful debts from a small number of delinquent tenants. These non-recurring factors ultimately constrained growth in AUM and FFO to the targeted levels.

Strengthening Risk Management and Financial Resilience

During the year greater focus was placed on strengthening our risk management framework. Key elements of that were diversification of funding sources to improve shareholder returns, developing a rigorous tenant assessment model, and further geographic expansion to mitigate

climate-related exposures. With the addition to the team of an Investment & Risk Analyst, we were able to have more focused, risk management oversight and execution of approved risk mitigation strategies.

Stock Price And Shareholder Returns

Our share price continued its upward trend and outperformed both its peer group and the JSE Main Market Index. Since the 2022 additional public offering, the share price increased by 25% to the end of December 2025 and was up 67% compared to the 2019 rights issue. This reinforces the long-term value proposition for shareholders. Book value per share in 2025 rose to J\$10.03, exceeding J\$10 for the first time in KPREIT's history.

Sustainability and Climate Resilience

During the year, we advanced initiatives aimed at improving energy efficiency, reducing operating costs, and enhancing the long-term resilience of our properties. Climate risk remains a material consideration for KPREIT, which explains our geographic diversification strategy, particularly into the UK. While comprehensive insurance coverage provides financial protection, tenant disruption and rising insurance premiums present long-term challenges. As a strategy, climate and environmental considerations are embedded within our acquisition underwriting, asset maintenance, and tenant engagement. During the year, we reaffirmed our green initiative policy and expanded the green certification programme to more of our assets.

Stakeholders and Role of Technology

Engagement with stakeholders is administered through various communication channels at specific intervals. These included quarterly filings on financial results, alongside regular communication via the Company's website, social media platforms, and bi weekly newsletter.



These initiatives form part of an ongoing effort to ensure that shareholders and other stakeholders have timely access to relevant information and a clear understanding of the Company's strategy, performance, and outlook.

The growth in technology dependency is not alien to our industry and we continue to assess the potential role of artificial intelligence (AI) across the business. AI presents opportunities to enhance investment analysis, data processing, and underwriting discipline, as well as improve tenant engagement and scheduled maintenance execution. As with all emerging tools, its adoption is guided by strong governance, ethical oversight, and a clear focus on value creation. In addition, with the rapid expansion of our business over the last decade, we continue to make enhancements to strengthen oversight of our IT infrastructure. Continued investment in this area is one of the pillars of our core strategy going forward.

Outlook and the Path Forward

Looking ahead, we expect the operating environment to remain challenging in the near term. Interest rates, while stabilizing, are likely to remain elevated, and capital markets may continue to exhibit periods of volatility. That said, we are increasingly optimistic about the medium-term outlook. As pricing adjusts and transaction activity gradually recovers, we anticipate a more favourable environment for disciplined capital deployment. Our focus over the next three years as we enter our next strategic cycle, are:

- (1) improving dividend yield to at least 3.5% in the near term and above 4.5% by 2028, this is measured by dividends paid as a % of total equity.**
- (2) completing an additional equity raise to support portfolio expansion and further balance our already conservative leverage ratios, and**

- (3) achieving total comprehensive income of approximately US\$6.0 million in the coming year. Execution remains paramount, but with a strengthened balance sheet, an increasingly diversified portfolio, and a disciplined operating approach, we are confident in KPREIT's trajectory.**

Developing more robust reporting and measurement of our carbon footprint, incorporating utilities consumption, selected fuel and chemical usage, waste disposal, and indicators of employee development and community engagement are also features of our strategic focus going forward.

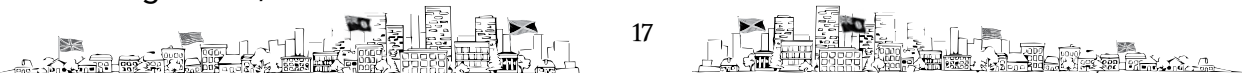
Our capital allocation priorities will remain:

- **expand the portfolio into assets that meet our risk-return criteria;**
- **reinvestment in our existing portfolio;**
- **maintenance of a strong balance sheet, and;**
- **delivery of consistent shareholder returns, through book value per share (BVPS) growth and dividends.**

CONCLUSION



I would like to thank our Board, management team, and shareholders, for their continued confidence and support. Thanks also to our tenants and suppliers for their continued collaboration and partnership. I would particularly like to recognize our employees for their enduring commitment and professionalism. Together, we remain focused on building a stronger, more resilient KPREIT for the long term.





TOP 10 SHAREHOLDERS FOR KINGSTON PROPERTIES LIMITED

As At December 31, 2025

PRIMARY ACCOUNT HOLDER	VOLUME	%
1. VM Investments Limited	203,379,834	23.0068%
2. Prime Asset Management JPS Employees Superannuation Fund	138,584,772	15.6770%
3. VM Wealth Property Fund	122,401,208	13.8463%
4. National Insurance Fund	67,142,856	7.5953%
5. PAM - Pooled Equity Fund	57,563,014	6.5117%
6. PAM - Courts (Jamaica) Pension Plan	45,475,068	5.1442%
7. Platoon Limited	36,459,155	4.1243%
8. PAM - Pooled Pension Real Estate	25,800,681	2.9186%
9. Guardian Life Shelter Plus Fund	20,680,000	2.3394%
10. The ATL Group Pension Fund Trustees Nominee Ltd	18,000,000	2.0362%
Total Issued Capital:	884,000,000	
Total Units Owned by Top 10 Shareholders:	735,486,588	
Total Percentage Owned by Top 10 Shareholders:	83.1998%	



DIRECTORS, CONNECTED PARTIES AND SENIOR MANAGERS SHAREHOLDINGS REPORT

As At December 31, 2025

DIRECTORS	SHAREHOLDINGS	CONNECTED SHAREHOLDINGS
Garfield Sinclair Platoon Limited	Nil	36,459,155
Nicole L. Foga	432,830	Nil
Peter Jonathan Reid	4,246,263	Nil
Lisa Gomes	672,760	Nil
Gladstone Lewars	667,000	Nil
Rezworth Burchenson	421,146	Nil
SENIOR MANAGERS	SHAREHOLDINGS	CONNECTED SHAREHOLDINGS
Kevin G. Richards	2,000,035	Nil
Andray Francis Annetta Francis	Nil	100,000
Tatesha Robinson-Rowe Fenekie Rowe	98,746	73,400
Roxanne Kelly	4,600	Nil
Neichelle Spence Lattibeaudiere	Nil	Nil
Jovaughn Rose	Nil	Nil



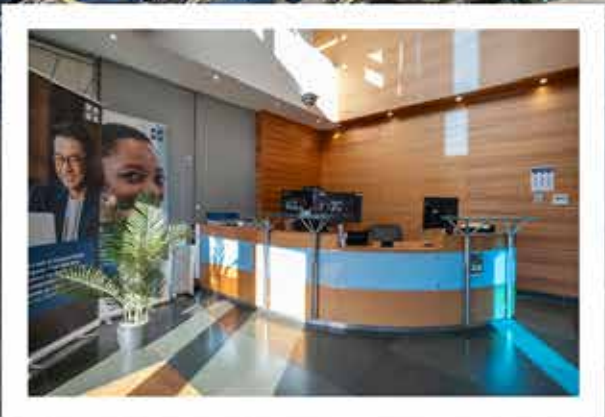
TEN YEAR FINANCIAL STATEMENT

	2016	2017	2018
Consolidated Income Statement	JMD	JMD	USD
Rental Income	130,457,378	196,322,267	1,573,865
Operating Expenses	98,264,169	124,325,694	1,016,865
Results of operating activities before other income	32,193,209	71,996,573	557,000
Other Income/gains	133,359,028	20,776,177	(363,008)
Operating Profit	165,552,237	92,772,750	193,992
Net Finance Cost/Income	53,788	(42,090,982)	(261,150)
Pre-Tax Profit or Loss	164,236,298	50,681,768	(67,158)
Income tax charge/credit	(34,317,258)	28,477,048	329,546
Net Profit	129,919,040	79,158,816	262,388
Foreign currency translation differences	60,949,209	(40,074,054)	(5,129)
Total Comprehensive Income	190,868,249	39,084,762	257,259
Consolidated Statement of Financial Position			
Investment Properties and other real estate assets	1,930,922,213	2,471,466,048	20,620,680
Cash and Cash Equivalents	24,078,908	37,966,958	1,020,954
Total Assets	2,157,608,555	2,555,966,240	23,058,996
Total Equity	1,726,184,541	1,739,448,116	14,173,529
Loans Payable	273,977,851	704,625,570	8,333,536
Total Liabilities	431,424,014	816,548,124	8,885,467
Key Ratios			
Total Comprehensive Income % of Average Equity	11.53%	2.26%	0.03%
Loans as % of Total Equity	15.87%	40.51%	58.80%
Rental Income % of Total Investment Property	6.76%	7.94%	7.63%
Profit before income tax Margin %	62.25%	23.35%	-5.55%
Net Operating Margin %	24.68%	36.67%	35.39%
Net Profit per share	\$ 0.81	\$ 0.25	\$ 0.00081
Operating Expenses as % of Rental Income	75.32%	63.33%	64.61%
Effective Tax Rate	20.90%	-56.19%	490.70%
Total shares outstanding at year end	160,996,334	321,992,668	321,967,682
Weighted Average No. of shares	160,996,334	321,992,668	331,622,071
Other Data			
EBITDA (adj.)	46,463,541	82,153,405	200,914
Net Cash from Operations	(144,667,060)	85,150,354	420,985
Gross Dividends (USD)	400,000	200,000	200,000
Dividend per share (USD)	\$ 0.00248	\$ 0.00062	\$ 0.00062
Dividend yield	3.19%	1.01%	1.32%
Dividend Payout Ratio	38.53%	32.43%	76.22%
Book Value per share (USD)	\$ 10.72	\$ 5.40	\$ 0.04402
Year end closing stock price (JMD)	\$ 10.00	\$ 7.70	\$ 6.00
Year end closing stock price (adj.) *	\$ 5.00	\$ 7.70	\$ 6.00
Price Earnings Ratio	12.39	31.32	56.76
Year End Market Capitalization (JMD)	1,609,963,340	2,479,343,544	1,931,806,092
JSE Index at Year End	192,276.64	288,381.97	379,790.86
Annual Inflation Rate % - Jamaica	1.70%	5.20%	2.40%
Annual Inflation Rate % - US	2.10%	2.10%	1.90%
Year End Exchange rate USD:JMD	\$ 128.44	125.00	127.72
Year over Year % Change	6.7%	-2.7%	2.2%
Average annual exchange rate	125.14	128.36	129.72

2019 USD	2020 USD	2021 USD	2022 USD	2023 USD	2024 USD	2025 USD
1,690,138	2,130,727	2,981,417	3,346,404	3,837,090	4,717,392	6,047,763
1,016,341	1,100,482	1,283,008	1,483,534	1,533,287	2,072,154	2,290,984
673,797	1,030,245	1,698,409	1,997,999	2,450,477	2,772,001	4,063,385
1,563,618	384,184	1,824,026	2,232,759	2,752,736	3,936,553	1,883,146
2,237,415	1,414,429	3,522,435	4,365,887	5,349,887	6,835,317	6,253,137
(238,862)	(817,082)	(425,557)	(481,820)	(680,824)	(1,435,564)	(2,108,813)
1,998,553	597,347	3,096,878	3,884,067	4,669,063	5,399,753	4,144,324
200,821	15,378	(78,566)	(84,411)	(21,547)	(25,570)	17,802
2,199,374	612,725	3,018,312	3,799,656	4,647,516	5,374,183	4,162,126
-	-	-	-	-	-	-
2,199,374	612,725	3,018,312	3,799,656	4,647,516	5,374,183	4,162,126
23,939,643	38,130,420	46,960,606	50,716,300	66,817,189	80,616,228	91,730,686
15,169,168	4,871,737	2,707,039	4,623,317	3,170,290	4,593,883	801,587
39,927,923	45,595,068	50,470,348	56,207,893	70,956,389	86,595,906	94,235,552
30,305,913	30,516,556	32,634,497	44,594,430	47,874,393	51,812,957	55,474,737
9,276,018	13,724,480	17,243,953	11,044,917	22,205,605	33,661,827	36,829,800
9,622,010	15,078,512	17,835,851	11,613,463	23,081,996	34,782,849	38,760,815
31.03%	2.01%	9.56%	9.84%	10.05%	10.78%	7.76%
30.61%	44.97%	52.84%	24.77%	46.38%	64.97%	66.39%
7.06%	5.59%	6.35%	6.60%	5.74%	5.85%	6.59%
61.42%	23.75%	64.45%	67.97%	69.31%	61.50%	50.31%
39.87%	48.35%	56.97%	57.39%	61.51%	57.22%	63.95%
\$ 0.00619	\$ 0.00090	\$ 0.00445	\$ 0.00487	\$ 0.00526	\$ 0.00608	\$ 0.00471
60.13%	51.65%	43.03%	44.33%	39.96%	43.93%	37.88%
-10.05%	-2.57%	2.54%	2.17%	0.46%	0.47%	-0.43%
677,712,399	677,663,643	677,652,928	884,609,294	884,000,000	884,000,000	884,000,000
355,235,387	677,664,788	677,654,648	781,015,068	884,000,000	884,000,000	884,000,000
2,245,866	1,427,548	3,542,513	4,390,653	5,375,357	6,858,890	6,268,237
602,886	577,320	2,128,033	1,691,967	2,476,398	2,522,375	4,543,356
450,000	400,000	900,000	1,430,000	1,367,553	1,435,619	500,346
\$ 0.00140	\$ 0.00059	\$ 0.00133	\$ 0.00162	\$ 0.00155	\$ 0.00162	\$ 0.00057
2.79%	1.16%	2.29%	3.17%	3.07%	2.69%	0.96%
20.46%	65.28%	29.82%	37.63%	29.43%	26.71%	12.02%
\$ 0.04472	\$ 0.04503	\$ 0.04816	\$ 0.05041	\$ 0.05416	\$ 0.05861	\$ 0.06275
\$ 6.63	\$ 7.25	\$ 9.00	\$ 7.75	\$ 7.80	\$ 9.43	\$ 9.40
\$ 6.63	\$ 7.25	\$ 9.00	\$ 7.75	\$ 7.80	\$ 9.43	\$ 9.40
7.98	55.97	13.33	10.33	9.57	9.87	12.49
4,493,233,205	4,913,061,412	6,098,876,352	6,855,722,029	6,895,200,000	8,336,120,000	8,309,600,000
509,916.44	395,614.93	396,155.61	355,896.64	325,699.79	335,794.94	317,986.88
6.20%	4.70%	5.83%	9.40%	6.30%	5.00%	4.50%
2.30%	1.40%	4.70%	6.50%	3.80%	2.90%	2.70%
132.57	142.65	155.09	152.05	154.95	156.42	159.74
3.8%	7.6%	8.7%	-2.0%	1.9%	0.9%	2.1%
134.22	143.27	151.62	154.21	154.99	157.22	159.83



**LAKEVIEW EAST,
CROSSWAYS BUSINESS PARK**
UNITED KINGDOM



DIRECTORS' REPORT

The Directors of Kingston Properties Limited are pleased to present their Annual Report and the Audited Financial Statements for the year ended December 31, 2025.

FINANCIAL RESULTS

Operating Activities	\$4,063,385
Profit before Income Tax	\$4,144,324
Income Tax Charge	\$17,802
Profit for the year	\$4,162,126
Dividends declared on ordinary shares	\$500,346

DIVIDENDS

The company declared dividend payments of US\$0.000566 per share paid on August 25, 2025. No further dividends were recommended during the year under consideration.

THE BOARD

The Directors of the Board comprised:

Mr. Garfield Sinclair	Group Chairman/Director
Ms. Nicole Foga	Company Secretary/Director
Mrs. Lisa Gomes	Director
Mr. Peter Reid	Director
Mr. Gladstone Lewars	Director
Mr. Rezworth Burchenson	Director

Pursuant to Article 107 of the Schedule to the Articles of Incorporation of Kingston Properties Limited, the Directors retiring by rotation are Ms. Nicole Foga and Mr. Gladstone Lewars, who, being eligible for re-election offer themselves for re-election to the Board.

AUDITORS

A resolution authorizing the directors to fix the Auditors' remuneration will be put to the Annual General Meeting.

THANK YOU

The Directors wish to thank the management and staff of Kingston Properties Limited for their contributions during the year under review.

By Order of the Board,



Nicole Foga
Company Secretary
April 29, 2026





HARBOUR CENTRE

CAYMAN ISLANDS



BOARD OF DIRECTORS AND PROFILES



Garfield Sinclair

Chairman | Independent Non-Executive Director

Board Tenure: 18 years
Committee Memberships: Audit Committee - Chair
 Human Resources and Compensation Committee - Chair
Core Expertise: Finance and Capital Markets, Accounting and Audit, Risk Management, Strategic Leadership, Human Capital/Compensation, Technology/Data Analytics

Garfield Sinclair is the Founding Chairman of Kingston Properties Limited and a seasoned business leader with extensive experience across listed companies, financial services and regional operations. He currently serves on the boards of several private and publicly held companies, including Proven Investments Limited and Proven Wealth Limited, and holds chairmanship roles across multiple entities in the Caribbean. His executive career includes senior leadership posts at Cable and Wireless Jamaica, FLOW Jamaica and Bahamas Telecommunications Company, as well as more than 13 years with Dehring, Bunting and Golding Limited, where he served as President and Chief Operating Officer. Mr Sinclair is a Certified Public Accountant and holds a BSc in Business Administration from San Diego State University and an executive certificate in Strategy and Innovation from MIT Sloan.

Lisa Gomes

Independent Non-Executive Director

Board Tenure: 15 years
Committee Memberships: Corporate Governance and Nomination Committee - Chair, Investment and Risk Committee
Core Expertise: Real Estate, Finance and Capital Markets, Accounting and Audit, Risk Management, Strategic Leadership, Corporate Governance, Human Capital/Compensation, Industry Specialization

Lisa Gomes is an experienced finance professional, board director and strategic advisor with more than three decades of experience across investment management, pensions, corporate governance, strategy and risk oversight in Caribbean and international markets. She serves as an Independent Director of Kingston Properties Limited and chairs the Corporate Governance Committee, while also serving on the Investment and Audit Committees. Ms Gomes is the Managing Director of CapSol Advisory Limited, where she advises institutional clients on investment strategy, pensions, restructuring, governance frameworks and transaction support. Her previous senior roles include positions with Guardian Holdings Limited, Guardian Asset Management Jamaica Limited, Sandals Resorts International and Chukka Caribbean Adventures Limited. She holds professional designations in accounting and insurance.

Gladstone “Tony” Lewars

Independent Non-Executive Director

Board Tenure: 7 years
Committee Memberships: Corporate Governance and Nomination Committee, Investment and Risk Committee
Core Expertise: Real Estate, Accounting and Audit, Risk Management, Strategic Leadership, Corporate Governance, Human Capital/Compensation

Gladstone “Tony” Lewars is a former Partner of PricewaterhouseCoopers Jamaica, where he led the Advisory division and built a distinguished career in consulting across organisational development, institutional strengthening, strategy, human resource management and corporate governance. For over 35 years, he has advised private and public sector organisations throughout the Caribbean and has served on a wide range of national commissions, public boards and corporate boards. Since his retirement from PwC, he has continued to advise on strategic reviews, organisational restructuring, leadership succession and compensation design, including assignments for major Jamaican institutions and listed companies. Mr Lewars holds degrees in economics and accounting from The University of the West Indies and is a Fellow of the Institute of Chartered Accountants of Jamaica. In 2015, he was awarded the Order of Distinction, Commander Class, for service to the public and private sectors.

Nicole Foga

Company Secretary | Independent Non-Executive Director

Board Tenure: 18 years
Committee Memberships: Human Resources and Compensation, Corporate Governance and Nomination Committee
Core Expertise: Real Estate, Legal and Regulatory Compliance, Risk Management, Strategic Leadership, Corporate Governance, Human Capital/Compensation

Nicole Foga is the Managing Partner of Foga Daley Attorneys-at-Law and heads the firm’s Commercial, Media and Technology Department. Her practice spans information and communication technology law, data protection and privacy, and intellectual property. Ms Foga brings strong legal, regulatory and governance experience to the Board and also serves as Company Secretary of Kingston Properties Limited. Her wider leadership roles include serving as Chairman of the University of Technology Pension Fund and of the Telecommunications, Broadcasting and Technology Committee of the Jamaica Bar Association. She has also served on national and charitable bodies, including the Legal and Enforcement Sub-Committee of the National Environment and Planning Agency and the Usain Bolt Foundation. Ms Foga holds an LLM in Commercial Law and degrees in law and arts from The University of the West Indies.

Peter Reid

Independent Non-Executive Director

Board Tenure: 15 years
Committee Memberships: Investment and Risk Committee - Chair
 Human Resources and Compensation Committee
Core Expertise: Real Estate, Finance and Capital Markets, Risk Management, Strategic Leadership

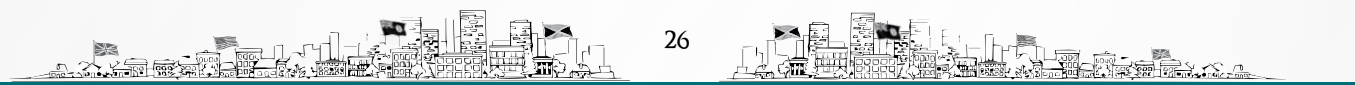
Peter Reid is a career banker with more than 30 years of experience in financial services, with expertise spanning sales and management, credit, financial analysis, advisory services and deal structuring. He currently serves as Deputy CEO of VM Group, having joined the organisation as Senior Vice President and Chief Operating Officer with direct responsibility for building society operations. Before joining Victoria Mutual, he held senior leadership responsibility at The Bank of Nova Scotia Jamaica Limited, where he provided strategic direction for sales and service operations. Mr Reid has also served on the boards of several enterprises, including Guardian Life Limited, Guardian Life Asset Management Jamaica Limited, GraceKennedy Currency Trading Services Limited, the National Water Commission and West Indies Alliance Insurance Company Limited. He holds a BA in International Studies from York University.

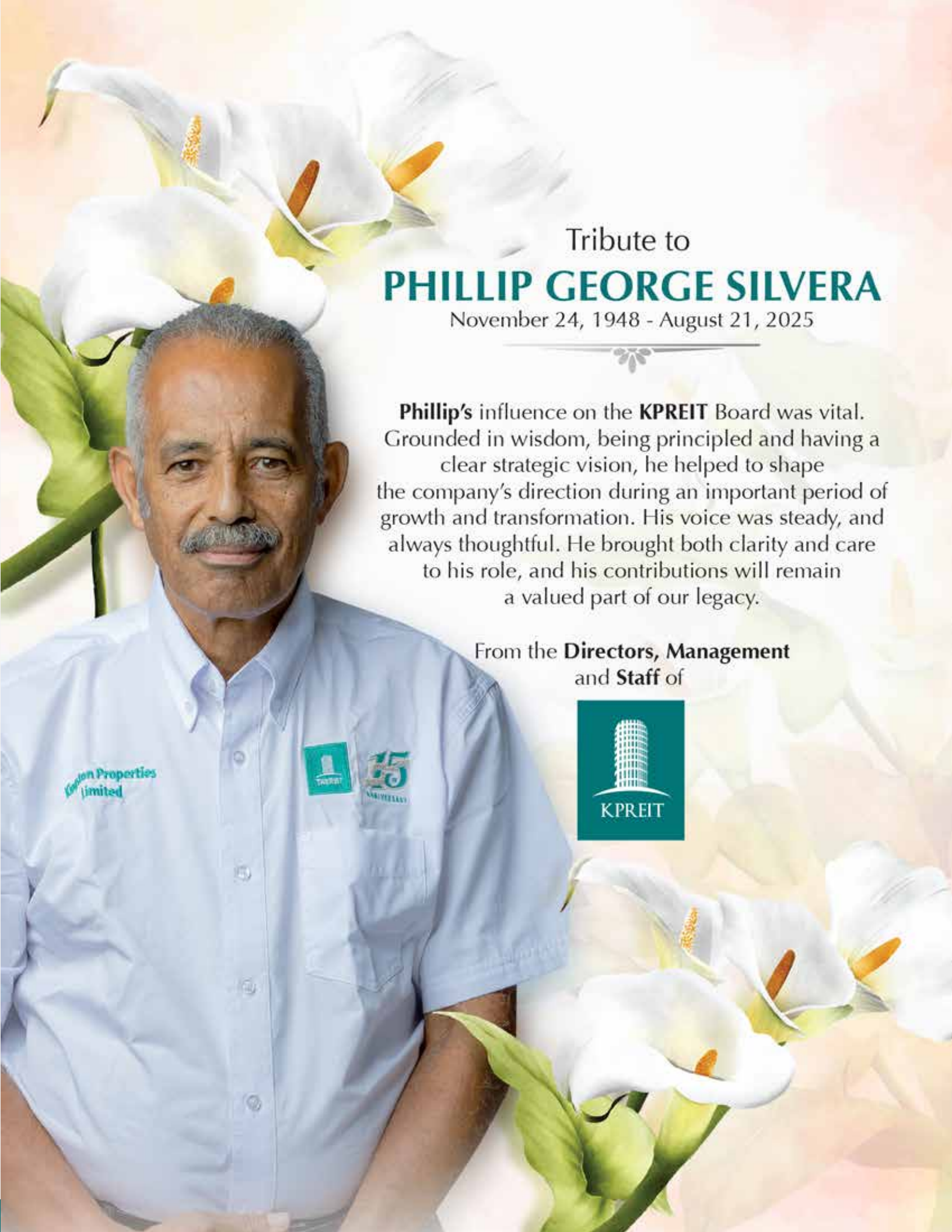
Rezworth Burchenson

Non-Executive Director

Board Tenure: 5 years
Committee Memberships: Investment and Risk Committee and Audit Committee
Core Expertise: Finance and Capital Markets, Strategic Leadership and Corporate Governance

Rezworth “Rez” Burchenson is a senior financial services executive and investment leader with deep experience in asset management, pensions and capital markets. He is a Senior Vice President of VM Group and Chief Executive Officer of VM Investments Limited and VM Wealth Management Limited. Before his appointment as CEO in 2019, he served as Deputy CEO of both entities and as CEO of VM Pensions Management Limited. Prior to joining VM Group, he held senior leadership roles including CEO of Prime Asset Management Ltd and Vice President and General Manager of Pan Caribbean Asset Management Ltd, where he had responsibility for managing the Sigma Unit Trust. Mr Burchenson has also served as a director of the Jamaica Stock Exchange. He holds a BSc in Economics and an MBA in Banking and Finance, and has completed executive programmes at Wharton and Harvard Business School.





Tribute to
PHILLIP GEORGE SILVERA

November 24, 1948 - August 21, 2025

Phillip's influence on the **KPREIT** Board was vital. Grounded in wisdom, being principled and having a clear strategic vision, he helped to shape the company's direction during an important period of growth and transformation. His voice was steady, and always thoughtful. He brought both clarity and care to his role, and his contributions will remain a valued part of our legacy.

From the **Directors, Management**
and **Staff** of







KINGSTON PROPERTIES LIMITED



ENVIRONMENT | SOCIAL | GOVERNANCE

We remain steadfast in our commitment to sustainable and responsible growth that creates enduring value for our stakeholders while positively contributing to the communities we serve. Our 2025 Environment, Social and Governance (ESG) performance report demonstrates meaningful progress across environmental stewardship, social responsibility, and corporate governance, aligned with the United Nations Sustainable Development Goals and our long-term strategic priorities. During the year, we advanced key initiatives including expansion of the green-certified portfolio, strengthened community partnerships, and continued enhancements to board oversight and governance practices. Collectively, these efforts reflect our ongoing focus on building a resilient, ethical, and future-ready real estate investment platform across all markets in which we operate.



ENVIRONMENTAL REPORT



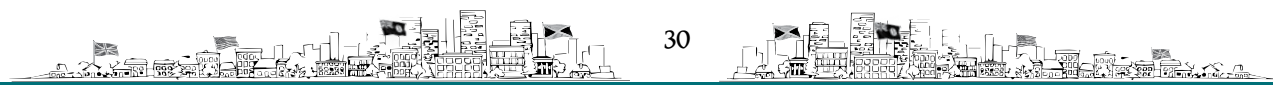
Environmental reporting across the global REIT sector places growing emphasis on resilience, resource efficiency, transparency, and measurable performance.

In keeping with these standards and our corporate values, **KPREIT** remains committed to operating responsibly and sustainably, protecting the environment, and supporting long-term stakeholder value. Investments made over the last four years reduced operating costs and supported our broader sustainability objectives.

During the year, that commitment was reflected in practical measures, including maintaining and expanding our green certification, upgrading equipment, conducting leak audits, monitoring waste, providing training, engaging with the community, and implementing environmental management practices across our directly managed properties.

A major development during the year was the expansion of **KPREIT’s** green-certified local portfolio, starting with the retention of the Gold award under (National Environment and Planning Agency) NEPA’s Green Business Jamaica Programme and adding two more local properties, bringing the total number of certified properties to five. Efforts continued to improve efficiency across our properties by installing inverter air-conditioning and ventilation units and replacing external floodlights with LED units. At Grenada Crescent, these measures contributed to a reduction in energy consumption by 26%, generating savings of over 130,000 KWH or approximately J\$9.1 million. During the year, a solar photovoltaic project was installed by a tenant at the East Ashenheim Road location, expanding the use of renewable energy solutions. This is a path we intend to pursue even more rigorously in the coming years.

Strengthening support for recycling and waste-management efforts, both internally and among our stakeholders, was a priority during the year. Our team collaborated with relevant partners to monitor recycling programmes at three schools in our network of communities and to conduct staff and stakeholder training on recycling and waste management. Other measures implemented during the year included the successful completion of plumbing leak audits at three properties, the use of low-maintenance, drought-resistant plants and trees in landscape planning, the use of eco-friendly cleaning agents across all directly managed local properties, and the storage and labelling of chemicals in accordance with manufacturers’ requirements. Together, these measures supported more efficient use of resources, proper handling and disposal practices, and stronger day-to-day environmental management.



Looking ahead, we intend to build on the progress made during the year. Priority areas include further improving energy efficiency, growing the use of renewable energy solutions, supporting responsible waste and water

management, and reinforcing environmental awareness among our team, contractors, and communities. We remain committed to playing our part in securing a brighter future for all.

NEPA'S GREEN BUSINESS STATUS



OPERATING ENVIRONMENTALLY SUSTAINABLE

TARGETS

UPDATES



GREEN CERTIFICATION COMPLIANCE

- Retained Gold award from NEPA's Green Business Jamaica Programme and successfully added two (2) additional local properties, increasing our Green Portfolio to five (5) local properties.



ENERGY EFFICIENCY

- All new Air-Conditioning and Ventilation Units for all properties are Eco-Friendly.
- Our 52-60 Grenada Crescent Property achieved 26% savings in electricity costs compared to 2021.
- Continuous replacement of all external flood lamps with LED Flood Lamps.



WASTE MANAGEMENT

- Continuous monitoring of recycle programmes at three (3) local schools.
- Conducted staff and stakeholder training on recycling and waste management.
- Monitored the quantity of waste in the major waste streams generated by the business.



WATER EFFICIENCY & CONSERVATION

- The successful completion of a plumbing leak audit at three (3) local properties.
- Use of low-maintenance, drought-resistant plants/trees as land scape architecture.



CHEMICAL MANAGEMENT

- Continued usage of Eco-friendly cleaning agents at all our directly managed local properties.
- Stored chemicals according to manufacturer's SDS/MSDS/TDS.
- Containers labelled for ease of identification of contents and avoidance of improper handling or disposal.



ENVIRONMENTAL AWARENESS & TRAINING

- Conducted environmental sensitization/awareness training at one of our partner schools.
- Developed and visibly posted company policy that reflects commitment to environmental conservation by the organization.
- Implemented training programmes in sound environmental practices for employees and hired contractors.





were directed towards areas of visible local need and were well supported by employee participation.

IMPACT BY NUMBERS

55	Students supported at Callaloo Mews Basic School
120	Students reached through Riverton Early Childhood Centre's Summer School Programme
150	Community members reached through partnership with Riverton ECC Annual Health Fair
60%	Employee Volunteer Engagement



INVESTING IN OUR COMMUNITIES

KPREIT's social investment in 2025 focused on practical support for children, students and communities, with particular emphasis on education, wellbeing and youth engagement. Although not all planned activities were completed during the year, the initiatives undertaken

Supporting education and child development

In the education space, we supported Callaloo Mews Basic School through the donation of fans and bulbs ahead of the institution's Early Childhood Commission assessment, directly benefiting 55 students and their families. We also provided funding support for the Riverton Early Childhood Centre through its Summer School Programme and annual health fair, which directly impacted 120 students between the ages of three and 12, and 150 community members, respectively.

"The impact of Kingston Properties' support on the school, the staff and the surrounding community is tremendous. They are now the sole sponsor of our annual summer school which the students depend on and look forward to. Their donation of recycling bins in the past continues to shape positive behaviours in our school community as students have become



noticeably more compliant and we have an active recycling programme. We are very grateful and look forward to their continued support and partnership for many more years to come.” Mr Junior Reid, Principal, Riverton Early Childhood Centre

Encouraging achievement and youth participation

For over 9 years, **KPREIT** has partnered with schools and community based organisations to support student advancement and youth development. In 2025, we were pleased to provide scholarships for two top-performing PEP students at Orange Hill Primary School and sponsored the annual Veronica Murray Foundation basketball competition, involving 20 team players. We also supported a fundraising event for Glenmuir High School.

Promoting women’s health and dignity

Support for women’s health also formed part of the year’s outreach. Through a special partnership with the HER Flow Foundation, **KPREIT** sponsored sanitary hygiene supplies for 20 high school girls, addressing a practical need linked to dignity, increased attendance and wellbeing.

Employee Volunteering

All **KPREIT** team members are encouraged to see the communities we operate in as partners on the pathway to a stronger economy, peaceful communities, and progressive world. Volunteering individually and as a part of company-wide initiatives is strongly encouraged. During 2025, two male team members participated in the Daddy and Me initiative at Callaloo Mews Basic School, spending quality time with and caring for the children. Total volunteer hours were approximately 10, and employee participation was approximately 60%.

While unforeseen circumstances affected delivery of the full rollout of our plans for the period and resulted in spending coming in below budget, the year’s activities were meaningful and strongly reflected **KPREIT’s** continued commitment to positively transforming lives and empowering communities.





United Nations

SUSTAINABLE DEVELOPMENT GOALS 2030





CORPORATE GOVERNANCE REPORT

We remain steadfast in our commitment to the highest standards of corporate governance and transparency. Guided by a board of diverse, experienced, and highly skilled professionals, we ensure effective oversight of the company's operations and uphold strict compliance with legal and ethical principles.

KPREIT's robust risk management framework enables its leadership to proactively identify and address operational risks, including those related to environmental, social, and governance (ESG) matters. We continue to strengthen our policies and procedures, with particular emphasis on protecting whistleblowers, preventing corruption and bribery, and upholding the highest standards of ethical business conduct.

CORE GOVERNANCE PRINCIPLES

The principles guiding KPREIT's governance framework include:

- Equitable treatment of all shareholders
- Transparent, accurate, and timely communication with shareholders, regulatory bodies, and the general public about our activities and governance commitments.
- Independence of the Board and Executive Management, with clearly defined responsibilities, as well as with our third-party service providers.

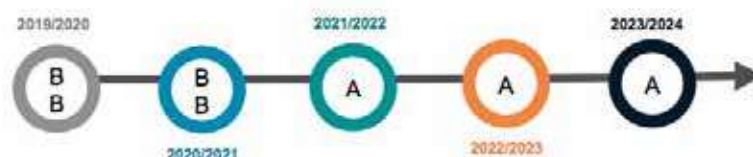
- Continuous monitoring to promptly address and resolve potential conflicts of interest.

ANNUAL GOVERNANCE REVIEW



In our annual governance evaluation, the Board assessed internal controls, business continuity strategies, conflict of interest, whistleblower, data protection and communication policies, risk management frameworks, terms of reference for all board subcommittees and compliance with the Private Sector Organization of Jamaica (PSOJ) Corporate Governance Code and the Jamaica Stock Exchange (JSE) rules on Corporate Governance. We maintained an A rating in the JSE's Corporate Governance Index for the third consecutive year. The Board also conducted a skills gap analysis to determine areas of deficiency as the company expands.

JSE CORPORATE GOVERNANCE (CG) INDEX



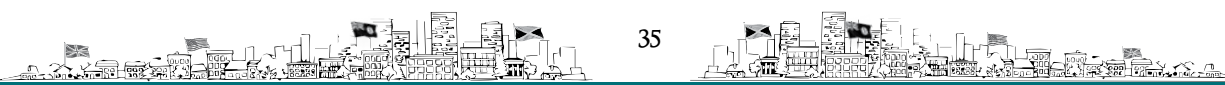
BOARD OF DIRECTORS

Our director selection and review process rigorously adheres to JSE and PSOJ standards. Directors are chosen based on expertise, judgment, character, diversity and independence, ensuring alignment with our mission and vision.

Directors fall into three categories:

1. Independent Director (I):

A board member who (i) has not been



employed by the company for at least three years, and (ii) is not related to any employee of the company or a significant shareholder

2. Non-Executive Director (NE):

A board member who receives remuneration from the company only through board fees or dividends from their personal **KPREIT** shareholdings.

3. Executive Director (E):

A member of the management team of the company who also sits on the **KPREIT** board.

1. Strategic Imperatives

- Review and approve the strategic plans presented by executive management
- Make balanced, well-informed decisions considering stakeholder interests
- Provide robust reporting channels for non-compliance activities
- Adhere to and promote sound governance principles and practices

2. Performance And Conduct

- Evaluate the CEO on the execution of the Board approved strategic plan
- Conduct regular risk management assessments
- Monitor related-party transactions to ensure fairness and transparency

3. Organisation And Activity

- Periodically review and monitor group policies
- Regularly review and update internal control mechanisms
- Maintain regulatory compliance
- Oversee approval processes for property acquisitions and disposals

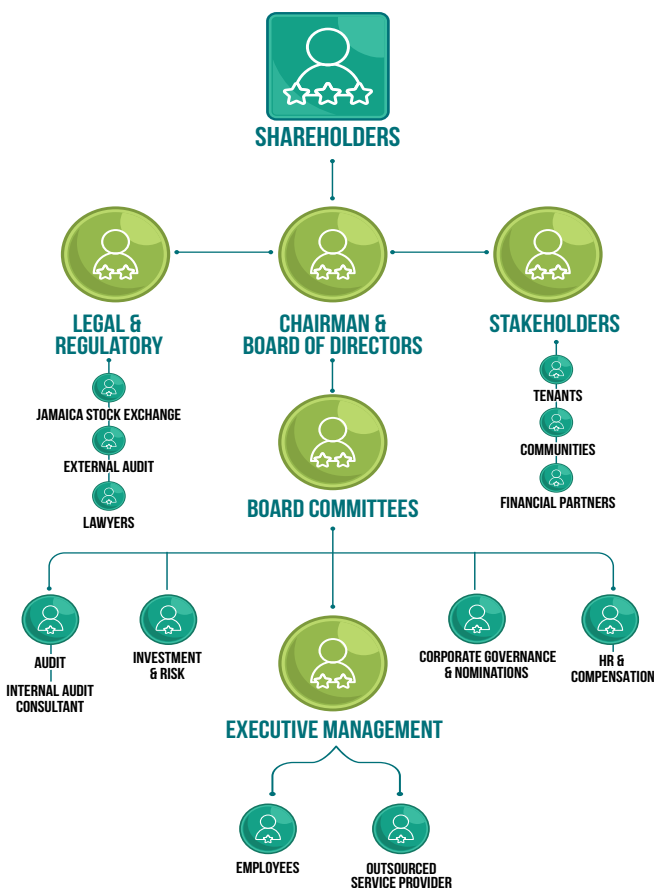
BOARD COMPOSITION AND OPERATIONS



The Board, is chaired by a non-executive director, Mr. Garfield Sinclair and meets bi-monthly. Minutes, comprehensive operational and ESG reports and management accounts are received at each meeting. Additional meetings occur as required to address critical matters. The Chairman promotes a culture of transparency, ethical conduct and accountability through well structured meetings and is the primary link between the Board and the CEO at the governance level.

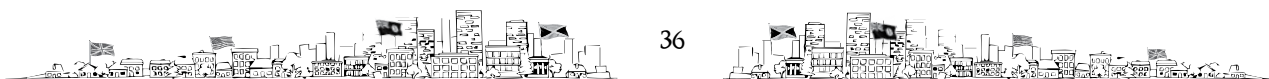
The composition guidelines remain:

1. A Non-Executive Board Chairman



BOARD RESPONSIBILITIES

The Board diligently oversees the corporate governance framework of the Company, focusing on risk management and controls, financial performance, operational efficiency, and legal compliance to enhance shareholder value. In carrying out its responsibilities, the Board operates under the following guidelines:



2. Directors with diverse commercial and financial expertise, including real estate, asset management, law, finance, corporate governance and risk management. A review of the required expertise and experience of Board members is conducted annually.

3. Independent directors comprise at least one-third of the Board.

The CEO, Mr. Kevin Richards, who is not a board member, is responsible for executing board-approved strategies to enhance shareholder value.

BOARD REMUNERATION AND ATTENDANCE

BOARD MEMBERS	BOARD MEETING ATTENDANCE	AUDIT COMMITTEE	INVESTMENT & RISK COMMITTEE	CORPORATE GOVERNANCE	HR & COMPENSATION
MEETINGS HELD	6	4	8	3	1
GARFIELD SINCLAIR	6	4			1
NICOLE FOGA	5			2	1
LISA GOMES	5		8	3	
PETER REID	6		7		1
GLADSTONE LEWARS	6		7	3	
REZWORTH BURCHENSON	5	3	7		
PHILLIP SILVERA*	3	2			

*Director Silvera passed away in August

Board remuneration remains transparent and equitable, with non-executive directors compensated US\$3,571.43 quarterly. No additional fees are paid to directors for board and committee meetings attendance. Further, there are no incentives or stock option plans paid to directors. The Group does not have a stock option plan for employees. Retainer fees for 2025 are reflected in the table below.

BOARD FEES - 2025 PAYABLE TO NON-EXECUTIVE DIRECTORS

ANNUAL RETAINERS	ANNUAL FEE (US\$)
Chairman of the Board	\$14,285.71
All Other Directors	\$14,285.71
Additional Retainer - Company Secretary	\$2,400.00

Committees including **Corporate Governance and Nominations, Audit, Human Resources and Compensation**, and **Investment and Risk** support strategic oversight and decision-making.

Committee minutes are presented to the full Board for review. **KPREIT** adheres to the PSOJ Corporate Governance Code and JSE recommendations which allow for robust corporate governance to ensure the protection of shareholder interests and enhancing value. Corporate Governance documents can be accessed at www.kpreit.com/policy-portal

CORPORATE GOVERNANCE AND NOMINATIONS COMMITTEE COMPOSITION

The committee, chaired by Director Lisa Gomes, consists of three independent non-executive directors and met three (3) times during the reporting period.

CORPORATE GOVERNANCE & NOMINATIONS COMMITTEE MEMBERS AND ATTENDANCE AT MEETINGS

LISA GOMES
CHAIR

GLADSTONE LEWARS
MEMBER

NICOLE FOGA
MEMBER

LISA GOMES (CHAIR)	3/3
NICOLE FOGA	2/3
GLADSTONE LEWARS	3/3

COMMITTEE REPORT

During the current reporting period, the committee reviewed the following:

1. **Group's Corporate Governance Policy and Board Charter**

2. Policy on Board appointments and the board skills matrix
3. JSE Corporate Governance Index Report
4. Board Compensation Policy
5. Conflict of Interest
6. Corporate Governance training proposals
7. Sexual Harassment Policy and Data Protection Policy

The Board approved all committee recommendations.

AUDIT COMMITTEE

The committee is chaired by Mr. Garfield Sinclair and comprises three non-executive directors and one external co-opted member, met four (4) times during the year.

- Approved the external auditors’ engagement terms and fees
- Ensured compliance with financial reporting standards
- Evaluated existing internal controls to determine any gaps
- Reviewed the quarterly Management Discussion & Analysis Statements for release
- Reviewed the group valuation policies
- Reviewed the Group intercompany and related party transactions policy

HUMAN RESOURCES AND COMPENSATION

The committee is chaired by Mr. Garfield Sinclair and comprises three independent non-executive directors. The committee met once during the year.

AUDIT COMMITTEE

MEMBERS AND ATTENDANCE AT MEETINGS

REZWORTH BURCHENSON
MEMBER

GARFIELD SINCLAIR
CHAIRMAN

JOHN BELL
EXTERNAL MEMBER

PHILLIP SILVERA
MEMBER

GARFIELD SINCLAIR (CHAIRMAN)	4/4
REZWORTH BURCHENSON	3/4
JOHN BELL	4/4
PHILLIP SILVERA	2/4

COMMITTEE REPORT

During the review period, the committee:

- Reviewed audited financial statements for the 2024 financial year

HUMAN RESOURCES & COMPENSATION COMMITTEE

MEMBERS AND ATTENDANCE AT MEETINGS

GARFIELD SINCLAIR
CHAIRMAN

PETER REID
MEMBER

NICOLE FOGA
MEMBER

GARFIELD SINCLAIR (CHAIRMAN)	1/1
NICOLE FOGA	1/1
PETER REID	1/1

COMMITTEE REPORT

During the review period the committee:

- Approved annual employee compensation packages
- Reviewed the performance of the CEO
- Reviewed directors’ fees for approval by the board
- Reviewed HR management systems

- Assessed health and wellness initiatives
- Reviewed Group policy on employment termination
- Reviewed the annual staff satisfaction surveys

INVESTMENT AND RISK

The Committee is comprised of four directors and provides oversight on the investment and financing strategy for the Group and ensures compliance with agreed-upon policies and targets.

INVESTMENT & RISK COMMITTEE MEMBERS AND ATTENDANCE AT MEETINGS

PETER REID (CHAIRMAN)	7/8
REZWORTH BURCHENSON	7/8
GLADSTONE LEWARS	7/8
LISA GOMES	8/8

COMMITTEE REPORT

During the year, the committee met eight (8) times, including one special meeting, and engaged in the following activities:

1. Reviewed the portfolio performance
2. Reviewed the Group Statement of Investment policy and made amendments where appropriate

3. Reviewed the Group's Risk management framework and recommended improvements where there are gaps.
4. Reviewed several prospective acquisitions
5. Reviewed several term sheets for bank and capital market financing options from several financial institutions

COMMITTEE ACTIVITIES AND DIRECTOR TRAINING

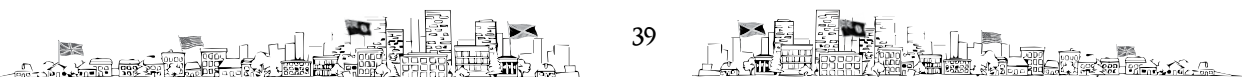
The management team provides Directors with various real estate market trends and outlook reports at all board meetings and macroeconomic updates on the jurisdictions in which the Company owns properties or is targeting for acquisition.

INTERNAL AUDIT

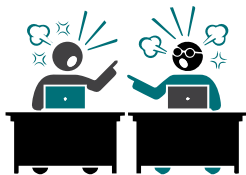


The Company emphasizes monitoring and managing risks, primarily through oversight by the Audit Committee and the Investment and Risk Committee.

The objective is to ensure independence and transparency in the Group's operations and assess the risk management framework and internal controls processes of the Group. In 2025, the Group reviewed its tenant selection and property management processes, fundraising, valuation, acquisition and divestment policies; and investor relations and conflict of interest policies. Assessments were done on the adequacy of insurance coverage for the Group's assets, the effectiveness of the Group's business continuity and disaster recovery plans and where gaps were identified recommendations were made to bolster controls and oversight monitoring. These include improved tenant risk assessment and delinquency management processes; IT and cybersecurity risk assessment and construction management processes.



CONFLICT OF INTEREST AND RELATED PARTY TRANSACTIONS



Every Director is expected to act ethically, with integrity, and in good faith in exercising his or her powers and discharging duties in the Company's and its shareholders' best interest. The Company's Conflict of Interest Policy provides a transparent framework to guide individual directors. The Board recognises that private and/or personal interests can impact a Director's ability to make objective decisions in the Company's best interests. The Board recognizes also, that appearance of such conflicts should also be avoided. Declaration of any conflict of interest has been instituted as an agenda item at each sitting of the board, and where the appearance of conflict or the likelihood of a transaction being with a related party is present, the respective party recuses himself or herself from the meeting. Further, each year, the Directors are required to sign a Conflict of Interest Statement.

View our **Conflict of Interest Policy** at: www.kpreit.com/policy-portal

WHISTLEBLOWER POLICY



KPREIT is committed to maintaining the highest standards of integrity, ethics, and transparency. We do this by fostering a culture of open communication at all levels and with our stakeholders. As part of this commitment, our **WHISTLEBLOWER POLICY** provides employees, contractors, and other stakeholders with a safe and formal means to report any concerns regarding potential violations of laws, regulations, or company policies without fear of retaliation or exposure. The management team, in consultation with the Board of Directors,

conducts annual reviews of the policy and where gaps exist, resolutions are included. The policy covers areas such as:

- Multiple reporting channels, including direct communication with a supervisor or any leadership team member or through an anonymous reporting system.
- Commitment to protecting the identity and confidentiality of whistleblowers to the extent possible, and will not tolerate retaliation or adverse action against individuals who report concerns in good faith.
- Designating company personnel to promptly and thoroughly investigate all reports. If a violation is substantiated, appropriate actions will be taken to address and resolve the concern, including but not limited to corrective action, disciplinary measures, and legal remedies.
- Prohibiting retaliation against individuals who report concerns in good faith. Any employee found to have engaged in retaliation will be subject to disciplinary action, up to and including termination.
- Committing to ensuring that all employees and contractors have access to and understand this policy. As required, we will also provide training and reminders to encourage compliance.

The confidentiality of individuals involved in any investigation or resolution process is protected to the extent possible and information is only disclosed on a need-to-know basis.

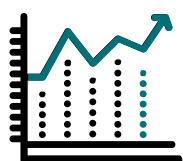
We remain dedicated to maintaining a culture of integrity and accountability that encourages all stakeholders to come forward and report any



concerns in good faith. Segments of the organisation’s quarterly staff meeting involve an outline of the organisation’s core policies, and each team member is given a handbook of all policies at the commencement of their employment with the organisation.

View our **Whistleblower Policy** at: www.kpreit.com/policy-portal

DIVIDEND POLICY



Our dividend policy is to pay up to 90% of total Funds From Operations (FFO) in dividends to shareholders on record.

The declaration of dividends is at the absolute discretion of the company’s Board of Directors. Dividends are subject to available cash flow and any need the Company may have, from time to time, to reinvest earnings as part of its growth strategy. The Board reviews the dividend payout level annually to increase the payout level in line with the standard for REITs globally.

Dividends may be paid twice annually, with the final dividend being paid once audited financial statements have been submitted to the JSE.

View our **Dividend Policy** at: www.kpreit.com/policy-portal

COMMUNICATION WITH STAKEHOLDERS



We maintain a policy of regular communication with our key stakeholders, including shareholders and prospective investors, the Jamaica Stock Exchange, tenants, our financiers, and third party service providers, to ensure that they are well-informed about the company’s activities, performance and policies. Our current communication channels include the

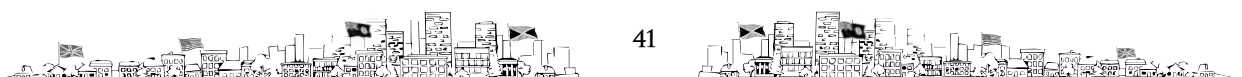
Company’s website, our bi-weekly newsletter, annual and quarterly financial reports, and various disclosures and announcements to the Jamaica Stock Exchange that are also distributed via email to shareholders. In addition, the Company participates in investor briefings and offers interviews with both traditional and social media.

We remain very responsive to shareholders’ questions and comments, which we receive via email, telephone, and direct social media messages.

Our digital transformation is a continuous project driven by the desire to nurture investor relations initiatives and boost engagement. In 2025, we provided regular real estate news to shareholders and had a feature segment on Taking Stock with Kalilah Reynolds that highlighted **KPREIT’s** record performance, and new developments. We also updated the general public on the latest market conditions and trends from real estate markets worldwide in our newsletter and in presentations at our AGM.

We continue to embrace digital transformation, and during the year, we deepened our digital presence to reach a diverse and global audience. **KPREIT’s** social media channels continue to grow with increased activity and a cohesive content strategy. These activities support our tagline, *“Gateway to global real estate investing.”*

View our **Communication with Shareholders Policy** at: www.kpreit.com/policy-portal





SUMMARY OF KPREIT'S GOVERNANCE PERFORMANCE AT A GLANCE:

- Maintained a code of conduct that was communicated to all team members, suppliers, and contractors.
- Received no reports of unethical behaviour through the updated Whistleblower Policy
- Featured presentations and interview on Taking Stock with Kalilah Reynolds.
- Improved communication with shareholders, resulting in a notable increase in website and social media traffic and over 800,000 total impressions.

FUTURE GOALS



We remain committed to enhancing our ESG performance and reporting. We have identified clear objectives to advance these commitments over the coming years. By 2028, we plan to increase our use of recycled office supplies, ideally sourced locally, by at least 15%. Additionally, we intend to raise our investments in renewable energy in our Caribbean based assets by a minimum of 25%, reinforcing our dedication to environmental sustainability.

We will also continue to expand our recycling initiatives to include all **KPREIT**-adopted schools to extend our environmental impact within the communities we serve. To further enhance operational efficiency and environmental responsibility, we will acquire more energy-efficient equipment and systematically replace outdated systems to minimize our environmental footprint. Simultaneously, we aim to reduce our overall waste by 15% through

active promotion of recycling and composting practices.

On the social front, our goal is to double our team's volunteer hours, increasing our involvement and support in community initiatives. We also plan to boost financial contributions to support both new and ongoing community projects that reflect our company's core values. Improving our governance structure remains a priority. We will continue to regularly review and refine our policies and procedures, adopting industry best practices to ensure strong and effective governance.

Looking ahead, **KPREIT** is dedicated to maintaining the highest governance standards and delivering long-term value for our shareholders and stakeholders. Our ongoing efforts to strengthen governance practices and pursue strategic initiatives position us effectively in the dynamic global real estate market.

As our company continues to evolve, ESG principles will remain a foundational part of our strategy, guiding us toward sustainable growth and meaningful value creation. We remain committed to transparency in communicating our governance progress and look forward to contributing further to a sustainable and responsible future.



MEET THE TEAM

Management Team and Profile



Mr. Richards is tasked with providing leadership and driving the strategic objectives of the Group to maximize shareholders' value.

KEVIN RICHARDS, CCIM
Group Chief Executive Officer
Tenure: 11 years



Mr. Francis leads the Group's financial planning, information technology and risk management strategies, including the optimization of corporate structure and management controls to achieve sustainable growth.

ANDRAY FRANCIS
Group Chief Financial Officer
Tenure: 6 years



Mrs. Rowe leads the Administration and Property Management functions of the Group including stakeholder relations, human resources management, culture, training and development with the ultimate responsibility to increase operational efficiency.

TATESHA ROBINSON-ROWE
Senior Executive - Operations
Tenure: 16 years



Mrs. Spence Lattibeaudiere is tasked with managing the Group's legal, compliance and regulatory portfolios in Jamaica, the Cayman Islands, the United States, and the United Kingdom.

NEICHELLE SPENCE LATTIBEAUDIÈRE
General Counsel and Compliance Manager
Tenure: 4 years



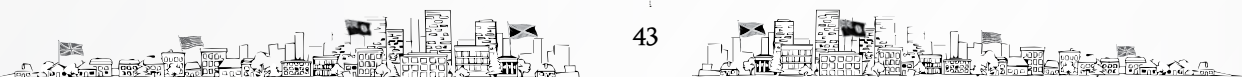
Ms. Kelly is responsible for the financial operations of the Group producing periodic financial reports, maintaining an adequate system of accounting records and a comprehensive set of controls to mitigate risk and enhance the accuracy of the Group's financial results.

ROXANNE KELLY
Financial Controller
Tenure: 8 years



Mr. Rose is charged with leading the development and implementation of the Group's Sustainable and Safety Policies. A major part of his portfolio is to manage capital and major maintenance projects with a clearly defined scope of works and deliverables to the KP Standards, which align with our strategy.

JOVAUGHN ROSE
Senior Manager - Building Management and Projects
Tenure: 5 years



OUR STAFF



KELSIE STERLING
Senior Accounting Officer



NICHELLE JACKSON
Accounting Officer



CHADWICK BROWN
Investment and Risk Analyst



LEMAR REID
Real Estate Analyst



TEANNA CARD
Junior Administration Officer



TANYA WILLIAMS
Office Attendant



RAJIV ROWE
Real Estate Asset and
Facilities Manager





Building a supportive workplace

We continue to invest in a workplace culture that recognises employee wellbeing as an important part of performance and retention. Staff benefits during the year included a contributory pension arrangement, mental health support, and fitness and wellness support.

The **KPREIT** team maintained access to a range of mental health and wellbeing resources. They also continued to benefit from 24/7 confidential counselling and peer support services through SilverOak Health, as well as mindfulness, coaching and stress-management support through the Tranquil App. An additional 30-minute daily mental health break to rest, read, journal or reflect was also implemented to complement weekly devotion and a designated wellness area for relaxation.

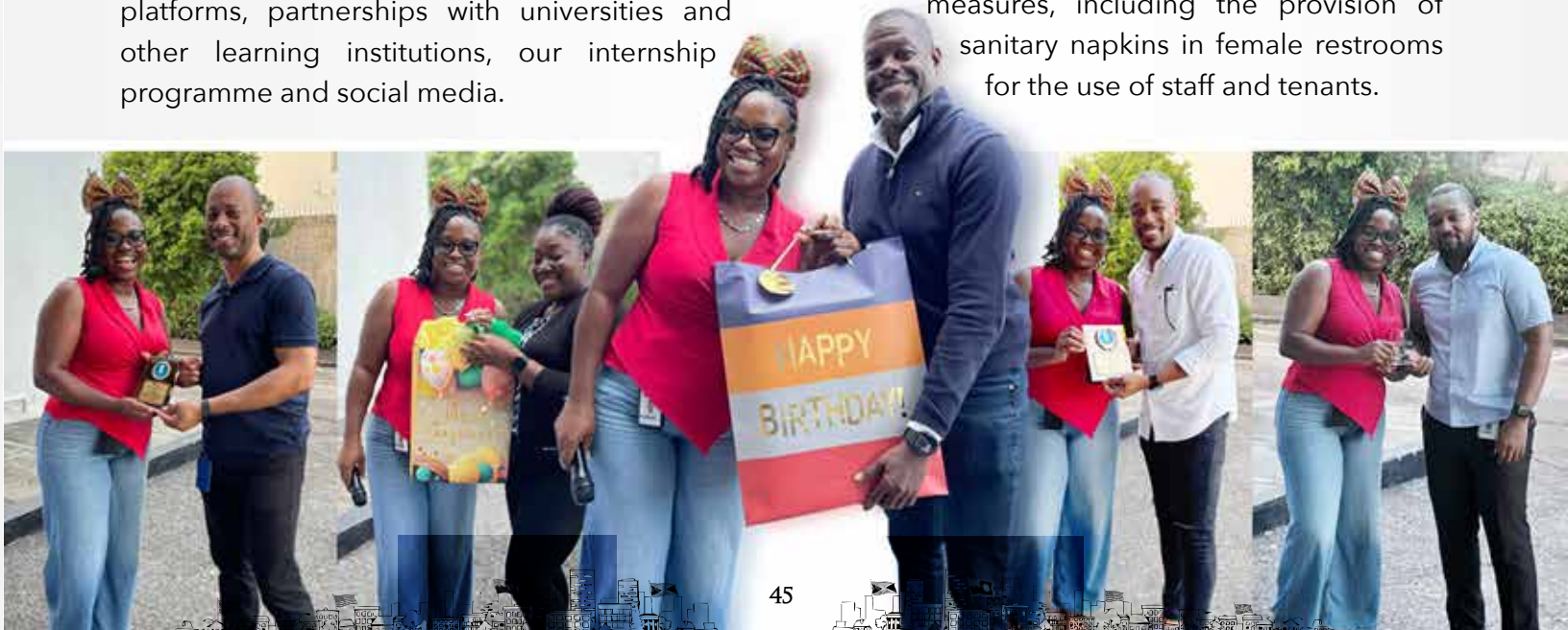
Physical wellbeing remained a key pillar in the Company's employee engagement approach. During the year, team members participated in a Steps Challenge aimed at encouraging regular exercise and nurturing healthy habits.

Monthly winners were recognised, with overall awards presented at year end. Support for employee comfort and dignity was also reflected in small but practical and meaningful workplace measures, including the provision of sanitary napkins in female restrooms for the use of staff and tenants.

OUR PEOPLE MATTER

A highly motivated team remains central to the delivery of our strategy and to the standard of service, oversight and execution expected across the business.

As at 31 December 2025, **KPREIT** employed 12 team members. During the year, three new employees joined the organisation in the roles of Senior Accounting Officer, Junior Administration Officer and Investment and Risk Analyst. Recruitment continued through a mix of channels, including digital recruitment platforms, partnerships with universities and other learning institutions, our internship programme and social media.



Engagement, feedback and culture

We continued to use employee feedback to shape our engagement programme. Input was gathered through staff surveys, one-on-one discussions between managers and team members, general staff discussions and a suggestion box. This feedback informed the annual employee engagement plan developed by the Entertainment Committee, which includes staff representatives and an executive member.

Staff engagement activities during 2025 included quarterly staff meetings, the Accountability Partner Programme, Jamaica Day celebrations, a Worthy Park Estate Rum Tour, Movie Night, Positive Affirmations Day, quarterly birthday celebrations, observances for International Women’s Day and International Men’s Day, and the annual staff celebration and awards ceremony. Award categories included Longstanding, Innovation, Employee Choice and Employee of the Year.

A special award was presented to Mr Kevin Langmore in recognition of his bravery in assisting with the evacuation of the 591 Spanish Town property during a fire in June 2025.

Learning and development

KPREIT continues to position training and development as part of its talent retention and capability-building agenda.

The Company’s approach is designed to strengthen skills, broaden employee capacity and equip managers to lead effectively. Each employee is expected to participate in at least one training activity during the year, and all team members completed training in 2025, resulting in a 100% completion rate for the year.

Training delivered during the period covered a range of technical, compliance, management and operational areas. These included land registration and conveyancing, disciplinary hearings, the Caribbean HR Summit, health and wellness, data protection, executive strategic planning, Microsoft Excel training, lease management practice, financial management, project management and real estate analysis. Training was delivered through a combination of external providers and internal subject matter experts. Performance evaluation was conducted quarterly, with a final assessment at year end.

Training needs assessments were also carried out following appraisals, based on managers’ recommendations and projected employee growth paths. The annual staff survey was administered to gather feedback on culture, the effectiveness of training and development, and relationships across teams and management.



People systems and policies

The OrangeHRM platform remains the human resource management system for record management, HR administration and leave management.

During the year, the Employee Handbook, which sets out the Company's rules, regulations and disciplinary code, was submitted to and reviewed by staff members. Refresher circulars and discussions regarding several workplace policies were disseminated and held with employees covering *Occupational Health and Safety Policy, Technology Resources Use Policy, Sexual Harassment Policy, Remote Work Policy, Whistleblower Policy and the Data Protection Policy*, which was approved in April 2025.

2025 People Metrics

KPREIT recorded a **Net Promoter Score of 90%** and an **Employee Satisfaction Score of 86%** in 2025. Training completion was **100%**, and women represented **58%** of the workforce at year end.

Kingston Properties' people practices in 2025 reflected a continued focus on building a capable, supported and engaged team. Through investments in wellbeing, structured feedback, regular performance assessment, relevant training and a clear policy framework, we continue to nurture an environment in which team members can contribute effectively and grow with the business.



“

“To be successful in real estate, you must always and consistently put your clients’ best interests first.

When you do, your personal needs will be realized beyond your greatest expectations.”

—Anthony Hitt, Real Estate Professional





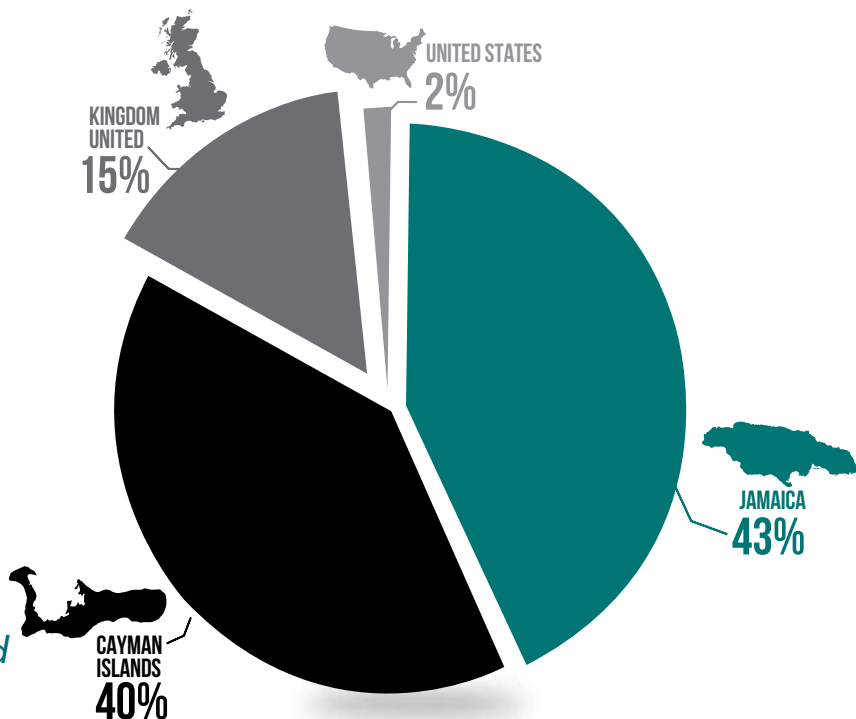
**KINGSTON
PROPERTIES
LIMITED**

MANAGEMENT DISCUSSION & ANALYSIS



OVERVIEW OF THE GROUP

In 2025, Kingston Properties Limited achieved another year of solid operational performance and continued to advance its investment strategy through selective acquisitions, portfolio rebalancing, and disciplined capital deployment.

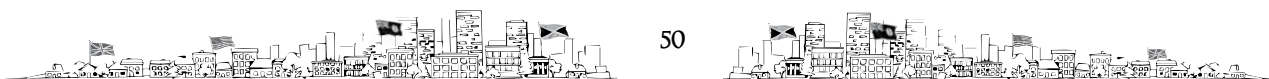


The Group recognized certain fair value adjustments and other portfolio and balance-sheet provisions during the period, reflecting prudent accounting treatment of specific exposures and credit considerations. Notwithstanding these non-recurring items, the Group continued to record strong revenue growth and expanded its asset base across key geographic regions, demonstrating the resilience of its operating model and the effectiveness of its strategic initiatives.

A core component of the Group’s investment strategy is to focus on jurisdictions and assets that offer resilient risk profiles, including limiting exposure to regions within the hurricane belt. This approach supports long-term asset preservation and operational stability by reducing susceptibility to weather-related disruptions and associated economic risks. During the year, the Group completed two acquisitions in the United Kingdom, further strengthening our international footprint. As a result, the United Kingdom portfolio increased to 15% of the overall portfolio, reflecting the impact of the two UK acquisitions and the continued strategic focus on developed-market exposure.

While we continued to expand our asset base through targeted acquisitions, we placed equal emphasis on strengthening the quality and resilience of earnings across the portfolio. Revenue growth was supported by improved occupancy levels, rental escalations, and contributions from newly acquired income-producing properties. At the same time, management maintained a deliberate focus on cost discipline and operational efficiency to preserve margins in a dynamic economic environment.

The year was also characterized by prudent balance sheet management. We undertook strategic financing initiatives to support acquisitions and refinance existing facilities, ensuring that our capital structure remains aligned with long-term growth objectives. Despite valuation adjustments to select investments, our core portfolio continues to demonstrate stability and recurring cash flow. Risk management also remains central to our strategy. We continue to actively monitor interest rate movements, market valuations, tenant concentration, and credit exposure, positioning the Group to respond



effectively to shifting macroeconomic conditions and real estate market dynamics.

Looking ahead, our focus is on optimizing asset performance, recycling capital where appropriate, and selectively pursuing opportunities that enhance geographic diversification and strengthen recurring income streams. With a disciplined investment approach and a resilient operating platform, the Group remains well-positioned to deliver sustainable long-term value to shareholders in an evolving real estate landscape.

FINANCIAL PERFORMANCE

Income Statement

Kingston Properties Limited reported total operating revenue of \$6.35 million for 2025, representing a 31.2% increase over the \$4.84 million recorded in 2024. This performance was primarily driven by continued portfolio expansion and improved asset performance. Rental income accounted for 95.3% of total operating income and increased by 28.2%, rising to \$6.05 million from \$4.72 million in 2024. The improvement in rental income was driven by higher occupancy levels, rental escalations, and revenue from properties acquired during the year. Management fees also strengthened to \$0.31 million, further supporting top-line growth.

Operating expenses rose to \$2.29 million, compared to \$2.07 million in 2024, an increase of 10.6%. The moderate growth in expenses relative to revenue growth demonstrates improved operating leverage

across the portfolio. Consequently, operating profit before other income increased by 46.6%, reflecting stronger core property performance, moving to \$4.06 million, up from \$2.77 million in 2024.

During the year, the Group recorded fair value losses driven by specific asset-level revaluations. The CGI Fund 1 and Polaris at East Point investments were fully written off following the loss of the underlying securities in foreclosure events, resulting in a 100% decline in carrying value for both investments. Additionally, Polaris at Camp Creek was written down from \$2.46 million to \$1.51 million, representing a 38.7% year-over-year decrease in value, reflecting the asset's operating performance and market conditions. These write-offs and write-downs are non-recurring events arising from private equity investments where the Group did not maintain full control of the underlying assets. In light of this experience and the magnitude of the impairments recognized, the Group has refined its investment strategy to prioritize direct asset acquisitions where it maintains 100% ownership and operational control. This strategic shift enhances governance oversight, risk management, and decision-making authority,

YEAR-END FINANCIAL HIGHLIGHTS

	12 MONTHS TO DECEMBER 31, 2024	12 MONTHS TO DECEMBER 31, 2025
	USD	USD
Rental Income (USD)	\$4,717,392	\$6,047,763
Net Operating Income	\$2,772,001	\$4,063,385
Fair Value Gains on Investment Property	\$3,047,418	\$5,194,925
Pre-Tax Profit	\$5,399,753	\$4,144,324
Funds From Operations	\$765,987	\$1,788,531
Total Comprehensive Income	\$5,374,183	\$4,162,126
Total Equity	\$51,812,957	\$55,474,737
Investment Properties	\$75,724,626	\$85,179,915
Investments at Fair Value through Profit or Loss	\$4,443,626	\$1,506,946
Dividends Paid	\$1,435,619	\$500,346
Closing Stock Price (JMD)	\$9.43	\$9.40

thereby reducing exposure to counterparty and structural risks inherent in minority or non-controlled positions.

In 2025, proceeds from disposals declined to \$0.11 million compared to \$1.53 million in 2024. The Group received proceeds from the sale of a unit at Tropic Centre One in the Cayman Islands, with most units divested prior to the close of the 2024 financial year, with the final unit sold in January 2025. In addition, the Group completed the sale of one of its units at Gum Tree 5 in the Cayman Islands, further supporting its capital recycling strategy and strengthening overall liquidity, and allowing for the reallocation of capital across the broader portfolio.

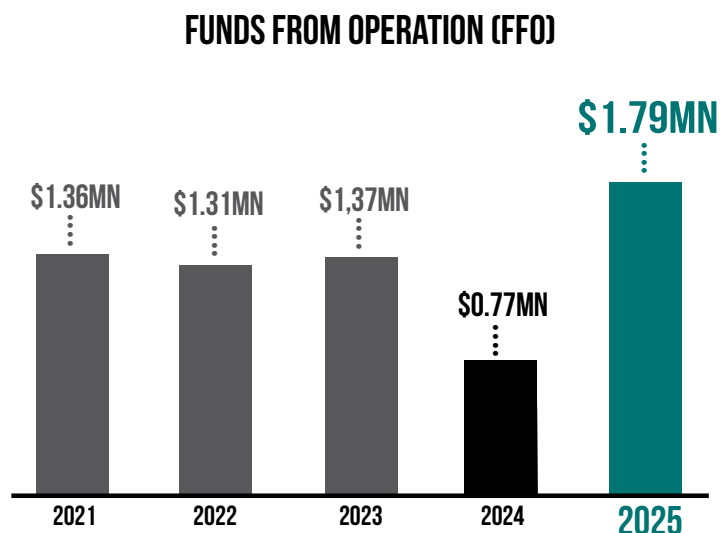
Net finance costs rose to \$2.11 million, up from \$1.44 million in 2024, a 46.9% increase. The expansion of the portfolio has been financed largely through collateralized bank financing, primarily to acquire assets that generate immediate cash flow. The increase in net finance costs stems from the refinancing and upsizing of the loan with CIBC at the end of 2024, which was tied to the deployment of more cash resources into acquisitions.

The Group’s EBITDA, a key profitability metric that provides insight into operational efficiency, totaled \$6.27 million, down from \$6.86 million in 2024, reflecting an 8.6% decline. While core operating performance strengthened, EBITDA was impacted by the fair value write-offs and higher finance costs during the period. The EBITDA margin, calculated as EBITDA divided by total operating revenue, stood at approximately 98.6%, demonstrating continued strong cash-generating capacity from core operations, though moderating relative to prior periods that benefited from stronger valuation gains.

Net profit for 2025 declined to \$4.16 million, down from \$5.37 million in 2024. While operating performance strengthened due to higher rental

income, reported earnings were materially impacted by the one-off fair value write-offs and increased financing costs.

FUNDS FROM OPERATION (FFO)



Funds from Operations (FFO) is a key indicator of our financial performance, as they adjust net income for non-cash expenses such as depreciation and gains or losses from property sales. In 2025, FFO improved to \$1.79 million, a 133.5% increase from \$0.77 million in 2024. Results in 2024 reflected a deviation from historical earnings patterns, primarily due to higher financing costs, non-recurring expenses associated with vacancies, and the impact of a tenant insolvency. This recovery was driven primarily by stronger rental income growth and improved occupancy levels. Despite higher net finance costs of \$2.11 million, the expansion in core operating income supported the significant improvement in recurring cash-based earnings.

STOCK PRICE AND DIVIDENDS

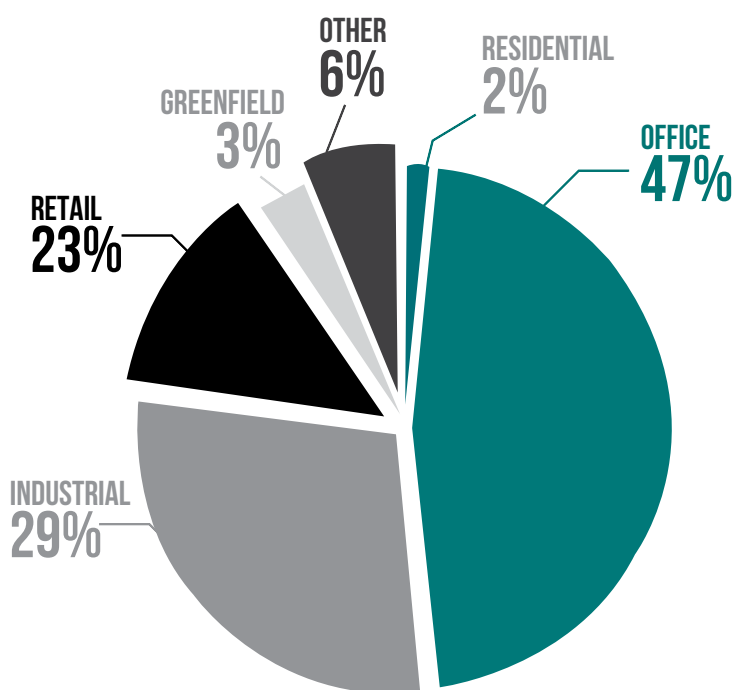
In 2025, the Bank of Jamaica continued to respond to evolving inflation dynamics and economic conditions. During the first half of the year, the policy interest rate was maintained at 6.00%, supporting economic stability. In the latter half of 2025, the Bank implemented rate reductions, bringing the policy rate down to 5.75% by year-end. These adjustments aimed



at balance price stability with support for broader economic growth.

KPREIT's stock price closed the 2025 financial year at J\$9.40 per share, compared to J\$9.43 at the close of 2024, while the JSE Main Index declined by approximately 5%. Earnings per share (EPS) for the financial year 2025 amounted to \$0.0047 (J\$0.7521), compared to \$0.0061 (J\$0.9509) in 2024. The year-on-year decline was largely due to the one-off negative fair value adjustments recorded during the financial year.

BALANCE SHEET



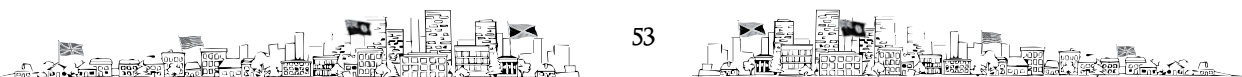
As of December 31, 2025, total assets under management for the Group amounted to \$94.24 million, compared to \$86.60 million at December 31, 2024, representing an 8.8% year-over-year increase. This growth was primarily driven by the

RATIO ANALYSIS	2024	2025
Net Operating Margin (NOI)%	57%	64%
EBITDA Margin (%)	142%	99%
Rental Income % of Total Investment Property	6%	7%
Operating Expenses as % of Rental Income	44%	38%
Debt to Equity	65%	66%
Debt to Assets	39%	39%
Debt to Investment Properties	44%	43%
Dividend Payout Ratio (% of FFO)	187%	28%
Dividend Yield	2.69%	0.96%

group's additions to the Investment Property portfolio, which increased to \$91.73 million in 2025 from \$80.62 million in 2024, reflecting a 13.8% increase. The expansion in the property portfolio was partially offset by fair value write-downs recorded on specific investments during the year. Notable investments included two acquisitions in the United Kingdom: Lakeview East, Dartford, for \$4.05 million, and Dorking Office Building for \$4.64 million.

Cash and cash equivalents declined to \$0.80 million at year-end 2025, compared to \$4.59 million in 2024, as more of the Group's cash resources were deployed into new property acquisitions and financing the Rousseau Road mini-warehouse development.

Total loans payable increased to \$36.83 million as of December 31, 2025, compared to \$33.66 million at the end of 2024, representing a 9.4% year-over-year increase. The additional borrowings were primarily undertaken to support the acquisition of the two income-producing assets added to the portfolio during the year, as well as to refinance portions of existing debt facilities on more structured terms.



The Group's loan portfolio remains comprised of collateralized bank financing denominated in US dollars. Management continues to actively manage its debt profile, balancing growth funding needs with prudent leverage levels and refinancing flexibility to optimize long-term financing costs.

Total equity increased to \$55.47 million as of December 31, 2025, from \$51.81 million in 2024, representing a 7.1% increase, and resulting in a book value per share of \$0.06275 (J\$10.03), compared to \$0.0586 (J\$9.21) in 2024.

PROPERTY PORTFOLIO	2024	2025
591 Spanish Town Road	\$3,398,231	\$5,043,825
36-38 Red Hills Road	\$6,418,684	\$6,418,684
6 East Ashenheim Road	\$7,980,000	\$7,980,000
52-60 Grenada Crescent	\$8,136,566	\$8,136,786
6, 8 - 10 Duke Street	\$5,719,929	\$5,719,929
East Street - Parking Lot	\$673,902	\$673,902
232A Spanish Town Road	\$1,878,811	\$3,470,000
11 Rousseau Road	\$692,543	\$2,160,475
Tropic Centre One	\$448,139	-
Rosedale Warehouse	\$2,575,000	\$3,299,000
Harbour Centre	\$14,077,311	\$14,157,295
Grand Harbour	\$14,886,573	\$16,192,000
Gum Tree 5	\$4,011,183	\$3,002,842
2530 Aztec West Business Park	\$5,275,730	\$5,274,564
Building 4, Dorking Business Park	-	\$4,642,994
Lakeview East, Dartford	-	\$4,051,444
SUB-TOTAL	\$76,172,602	\$90,223,740
OTHER PROPERTY INVESTMENTS		
CGI Fund I	\$600,000	-
Polaris at Camp Creek	\$2,451,833	\$1,506,946
Polaris at East Point	\$1,391,793	-
TOTAL	\$80,616,228	\$91,730,686





PROPERTY PORTFOLIO



JAMAICA



CAYMAN ISLANDS



UNITED STATES



UNITED KINGDOM





36-38 RED HILLS ROAD KINGSTON, JAMAICA

Mixed (Industrial\Office) December 2011

A nearly 50,000 square feet office and warehouse complex on Red Hills Road in Kingston, Jamaica. The property houses Group's head office and is also leased to diverse group of tenants primarily operating businesses in the technology and distribution spaces.



591 SPANISH TOWN ROAD KINGSTON, JAMAICA

Industrial January 2017

A nearly 52,000 square feet warehouse, office and showroom complex located along a key industrial corridor in Kingston, Jamaica. The property is multi-tenanted to businesses operating in the distribution and logistics spaces.



52-60 GRENADA CRESENT KINGSTON, JAMAICA

Offices November 2018

This nearly 32,000 square feet multi-story office building located in the heart of New Kingston's business district is multi-let exclusively to Government tenants.





6 & 8-10 DUKE STREET KINGSTON, JAMAICA

Offices \ Parking Lot August 2024

6 Duke Street and 8-10 Duke Street Kingston, Jamaica comprises of two multi-story buildings located in the prime business and commercial district of Downtown Kingston. These properties comprise a total of just under 60,000 square feet and is let to two tenants in the professional and financial services space. The East Street parking lot, services the occupants of the two buildings.



6C EAST ASHENHEIM ROAD KINGSTON, JAMAICA

Industrial October 2020

An approximately 86,000 square feet warehouse, office and showroom complex in Kingston's Industrial belt. It houses tenants in the manufacturing, logistics and distribution sectors.



232A SPANISH TOWN ROAD KINGSTON, JAMAICA

Industrial December 2021

This is a 26,000 square feet warehouse and office property situated along the Spanish Town Road Industrial Belt is currently leased entirely to a government entity.





11 ROUSSEAU ROAD
KINGSTON, JAMAICA

 Greenfield (Industrial)  October 2021

This 1.5-acre property in Cross Roads, St Andrew, is being developed to house fourteen (14) small-bay warehouse and mixed-use units that will be available for lease.



HARBOUR CENTRE
CAYMAN ISLANDS

 Office  July 2020

This is a 30,000 square feet multi-story office building near the waterfront in George Town, Cayman Islands. The property is leased to a diverse group of tenants in the banking and funds administration, law, government, and retail spaces.



ROSEDALE WAREHOUSES
CAYMAN ISLANDS

 Industrial  December 2019

The Group owns eight fully tenanted small bay warehouse and mixed-use units, totalling 8,266 square feet along a prime industrial corridor in the Cayman Islands. The property is leased to development, construction, and fund administration business operators.





GRAND HARBOUR COMPLEX
CAYMAN ISLANDS

Retail September 2023

The Group owns thirty-eight (38) units in the Grand Harbour Commercial Centre and an adjoining parking lot. The property is leased to leisure, education, medical, insurance, and retail tenants and is located along a key transit corridor between George Town and the eastern end of the island.



GUM TREE 5
CAYMAN ISLANDS

Industrial September 2021

The Group entered into an agreement to acquire three (3) of four (4) preconstruction units in a mixed-use industrial development in the Cayman Islands which were completed in March 2024. The Group completed the sale of one of its units during the period.



2800 CAMP CREEK PARKWAY
ATLANTA, UNITED STATES

Residential July 2021

The Group owns an approximately 38% stake in a real estate private equity investment that owns a 155-unit multi-family property, in Atlanta, Georgia. The property comprises one, two, and three bedrooms units totalling approximately 185,000 square feet.





2530 AZTEC, WEST
BRISTOL, UNITED KINGDOM

 Office  December 2024

This is a 20,000 square feet multi-story office building located in the Aztec West Business Park in Bristol, United Kingdom. The building is multi-tenanted to operators in the service offices, logistics and financial services spaces.

NEW ACQUISITIONS



**BUILDING 4,
DORKING OFFICE PARK**
DORKING, UNITED KINGDOM

 Office  March 2025

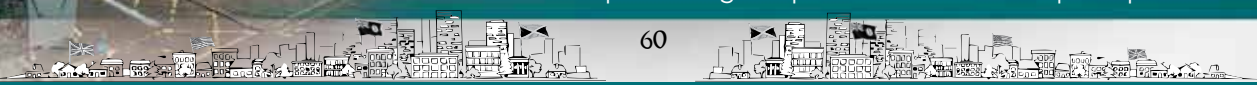
In March 2025, the Group closed on the acquisition of Building 4 - Dorking Business Park in the United Kingdom. The property is a 13,000 square feet office building located in Dorking, which is an affluent commuter town 27 miles south of London, and is known as the principal commercial centre in the Mole Valley District. The property comprises a multi-story building on the estate and is fully tenanted to operators in the medical services, logistics and events planning space. The property was acquired for a consideration of US\$4.64M representing a capital value of US\$359 per square feet.



**LAKEVIEW EAST,
CROSSWAYS BUSINESS PARK**
DARTFORD, UNITED KINGDOM

 Office  December 2025

In December 2025, the Group closed on a 17,000 square feet Grade A multi-story office building located within Crossways Business Park in Dartford, which is a premier commercial park on the immediate outskirts of London. The property is held as a freehold and is single let to a Swiss Stock Exchange listed logistics company who has been in occupation of the building since 2009. The property was acquired for a consideration of US\$4.05M representing a capital value of US\$237 per square feet.



DISPOSALS



TROPIC CENTRE ONE
CAYMAN ISLANDS

Mixed (Retail \ Office Residential) September 2021

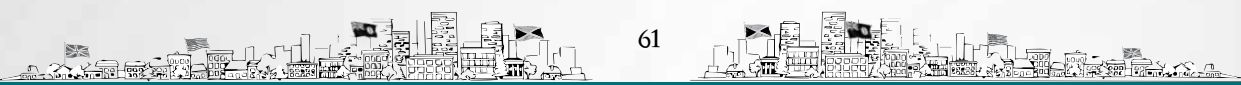
This is a 10,172 square feet mixed-use building located in the West Bay Beach South area in the Cayman Islands. The building comprises offices, retail outlets and residences along the famous Seven Mile Beach corridor, an area that has seen significant infrastructure improvements, as well as new luxury resort and condominium developments. Most units were divested in 2024, with the final unit sold in January 2025.



GUM TREE 5
CAYMAN ISLANDS

Industrial September 2021

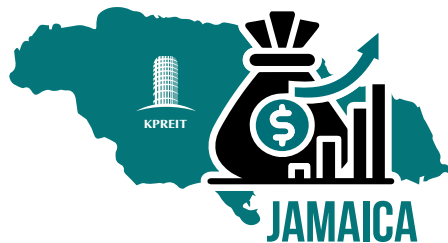
In September 2021, we entered into an agreement to acquire three (3) of four (4) pre-construction units in a mixed-use industrial development in the Cayman Islands which were completed in March 2024. The Group completed the sale of one of its units during the reporting period.



ECONOMIC OVERVIEW

Below is a brief overview of the economies in which the Group has properties, which provides essential context for its business operations. This information is derived from public sources and credible media reports; reference is also made to the footnotes below.

JAMAICAN ECONOMY



According to the Planning Institute of Jamaica's (PIOJ) 2025 calendar year estimates, Real Value Added was estimated to have remained flat despite the impact of the hurricane during the final quarter of the year. For January to September 2025, the economy grew by 2.6% as it recovered from Hurricane Beryl. These gains were counterbalanced by the downturn associated with Hurricane Melissa. For the calendar year, the out-turn reflected the combined effect of growth in Real Value Added for the Goods Producing Industry, up 1.5%, while the Services Industry contracted by 0.5%. Within the Goods Producing, three of the four industries recorded higher output levels, led by Agriculture, Forestry & Fishing, up 4.4%, and Construction, up 1.0%. In the Services Industry, the contraction reflected declines in six of the nine industries, with the

exception of Information and Communication, Finance & Insurance Activities,, and Public Administration and Defense.¹

Economic activity is expected to contract significantly in the immediate aftermath of the hurricane and the Bank of Jamaica (BOJ) anticipates a decline in real GDP in the range of -4.0 to -6.0 per cent for fiscal year (FY) 2025/26, largely due to the extensive damage to infrastructure and disruption to productive activity. BOJ projects that the financial inflows from multilateral and private sources will support spending in the economy over the next three years, to the extent that the capacity exists to execute planned projects. For FY2026/27, real GDP growth is projected in the range of -1.0 to 1.0 per cent, reflecting the commencement of recovery efforts, which will escalate in ensuing years.²

The weighted average selling rate of the Jamaican dollar against the US dollar averaged J\$159.83: US\$1.00 in 2025, compared to J\$157.22: US\$1.00 in 2024, representing an approximate 1.7% depreciation of the Jamaican dollar year over year.³ Over the last five years, the weighted average selling rate has averaged J\$155.57: US\$1.00.

The Monetary Policy Committee (MPC) expressed concern that the impact of Hurricane Melissa on the economy was more pronounced than initially anticipated, creating a greater risk that the inflation impact could be larger. Annual headline inflation is expected to rise sharply over the next few months from 4.4 per cent at November 2025 and remain elevated for the near-term. This rise primarily reflects the hurricane's impact on the major food-producing parishes and disruptions to supply chains. Core inflation, which excludes

¹ https://www.pioj.gov.jm/wp-content/uploads/2026/03/DGs-QPB-30_3-Speaking-Notes.pdf

² <https://boj.org.jm/summary-of-decisions-december-2025/>

³ <https://boj.org.jm/market/foreign-exchange/average-exchange-rates>



the prices of agricultural food products and fuel from the consumer price index (CPI) is expected to rise over the next twelve months, reflecting another wave of price increases for other goods and services.⁴ Inflation ultimately closed the year in December 2025 at 4.5 per cent, reinforcing the MPC's concerns about sustained price pressures following the hurricane-related shocks.

Employment levels in October 2025 remained largely unchanged compared with the same period of 2024. A total of 1,413,200 persons were employed, reflecting a decline of 3,800 individuals. The number of unemployed persons is estimated at 48,800, down from 51,300 the previous year. Meanwhile, 693,800 individuals were outside the labour force, an increase of 6,300 persons. These shifts resulted in an unemployment rate of 3.3 per cent compared with 3.5 per cent in October 2024. The female unemployment rate was higher at 4.2%, while the male unemployment rate was 2.6%. The youth unemployment rate stood at 12.9%, with young adult females at 13.7% and young adult males at 8.6%.⁵

THE CAYMAN ISLANDS ECONOMY



The Cayman Islands maintains a stable and well-diversified economy, supported by a robust financial services industry and an expanding tourism sector. Recognized as a prominent global financial hub, the jurisdiction provides

a tax-neutral environment with no property, income, corporate, or capital gains taxes.

Available indicators suggest that the Cayman Islands' gross domestic product (GDP) rose by an estimated 2.6% in real terms for the second quarter of 2025. This reflects a mild deceleration from the 2.9% estimated in the first quarter. Indicators for the first half of the year suggest the economy expanded by 2.7%. The expansion was supported by moderate growth across several service-oriented and social sectors. Health and social services led the increase with an estimated 5.6% rise, reflecting sustained demand for medical and social care. Government services grew by 4.0%, while agriculture and fishing expanded by 4.4%. The economic performance in the first half of the year supports the macroeconomic outlook for calendar year 2025, with real GDP growth projected at 2.6%. Growth in the year is premised on continued demand for financial and domestic activities, with robust performance in auxiliary sectors.⁶

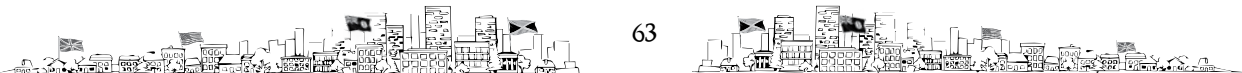
In the third quarter of 2025, the Consumer Price Index (CPI) was 135.7, higher by 0.1 percent compared to the third quarter of 2024. The average inflation for the first three quarters of 2025 is 1.3 percent with the second quarter recorded the highest quarterly movement. This increase in the CPI was mainly driven by higher costs in sectors like Recreation and Culture, alcoholic beverages and tobacco, Housing, water, electricity, gas and other fuels and healthcare, among others.⁷

⁴ <https://boj.org.jm/summary-of-decisions-december-2025/>

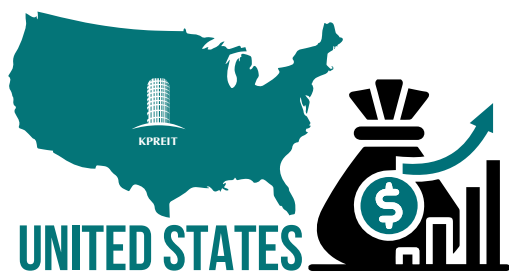
⁵ <https://statinga.gov.jm/PressReleases.aspx>

⁶ <https://www.eso.ky/quarterlyandannualeconomicreports.html>

⁷ https://www.eso.ky/storage/page_docs/uploadFilePdf/935/The%20Cayman%20Islands%20Consumer%20Price%20Index%20Report%20Q3%202025%20Final.pdf



US ECONOMY



Real gross domestic product (GDP) increased at an annual rate of 1.4 percent in the fourth quarter of 2025 compared to a third quarter increase of 4.4 percent. The contributors to the increase in real GDP in the fourth quarter were increases in consumer spending and investment. These movements were partly offset by decreases in government spending and exports. Imports, which are a subtraction in the calculation of GDP, decreased.

Real GDP increased 2.2 percent in 2025 (from the 2024 annual level to the 2025 annual level), compared with an increase of 2.8 percent in 2024. The increase in real GDP in 2025 primarily reflected increases in consumer spending and investment.⁸ Real GDP growth is projected to slow to 1.7% in 2026 before picking up to 1.9% in 2027. This slowing results from continued cooling in employment growth, the sharp slowdown in net immigration, the pass-through of tariff increases to the price level and large cuts to non-defence discretionary spending. As tariff effects dissipate, disinflation resumes and reductions in the federal work force conclude, growth is projected to recover towards potential.⁹

U.S. consumer prices rose 2.7% in December from a year earlier capping off a year in which inflation gradually eased but remained uneven across the economy. Annual inflation briefly

climbed to 3% in September before easing back to 2.7% in November, reflecting smaller price increases for gasoline, new vehicles and other items.¹⁰ The Federal Reserve (FED) reduced the federal funds rate by 25 basis points, lowering the target range for the federal funds rate to 3.50% - 3.75% marking the third consecutive rate cut in recent months.¹¹

UK ECONOMY



Real gross domestic product (GDP) is estimated to have grown by 0.1% in the three months to December 2025, compared with the three months to September 2025. The largest contribution came from a growth of 1.2% in production output. Services output showed no growth in the three months to December 2025, and construction output fell by 2.1%. GDP is estimated to be 0.7% higher in December 2025, compared with December 2024. In terms of annual growth, output GDP is estimated to have grown by 1.3% in 2025, compared with 2024. This was driven by 1.4% growth in services output, 0.2% growth in production and 1.8% growth in construction. This is the first annual growth in production since 2021.¹²

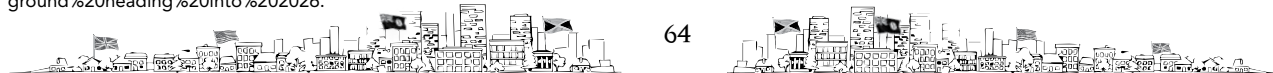
On December 18, 2025, the Bank of England's Monetary Policy Committee (MPC) announced

⁸ <https://www.bea.gov/data/gdp/gross-domestic-product>

⁹ https://www.oecd.org/en/publications/oecd-economic-outlook-volume-2025-issue-2_9f653ca1-en/full-report/united-states_3d9917c1.html

¹⁰ <https://www.bls.gov/opub/ted/2026/consumer-price-index-2025-in-review.htm>

¹¹ <https://www.citizensbank.com/learning/fed-interest-rate-cut-impacts.aspx#:~:text=On%20December%2010%2C%202025%2C%20the,stable%20ground%20heading%20into%202026.>



it had cut interest rates by 0.25 of a percentage point to 3.75%. Rates have been cut at a gradual pace since August 2024, by 1.5 percentage points in total.

The CPI annual inflation rate was 3.4% in December, up from 3.2% in November. The rise was driven by increases in tobacco duty and air fares. Food price inflation was 4.5% in December, up from 4.2% in November. The CPI annual inflation rate is expected to be on a downward path in 2026. The Bank of England in December 2025 said that it thinks inflation will ease to around 3% in Q1 2026 and then “closer to 2%” in Q2 2026. The Office of Budget Responsibility (OBR), in its November 2025 forecasts, expected the inflation rate to fall to 2.1% in Q4 2026.¹³

In October to December 2025, there were 1.88 million unemployed people in the UK, which was the highest that unemployment levels have been since 2014. The unemployment rate (the percentage of the economically active population who are unemployed) was 5.2% compared to the same period last year and is the highest the rate has been since 2021. The Office for Budget Responsibility forecast the unemployment rate would remain close to 5% in coming quarters before falling gradually down to 4.1% from 2027. The Bank of England forecast that unemployment would be 5.2% in Q1 2026 and 5.3% in Q4 2027.¹⁴

REAL ESTATE MARKET OVERVIEW

JAMAICAN REAL ESTATE MARKET

The Jamaican real estate landscape was influenced by movements within the construction industry, which registered an estimated 3.5% decline in real value added. This downturn occurred across both the Building Construction

and Other Construction categories. Despite overall contraction, the sector experienced a 13.4% rise in real sales of construction-related goods, driven by increased purchases of materials for hurricane preparedness, supplies used in early recovery efforts following Hurricane Melissa, and ongoing work tied to the strong rise in housing starts recorded earlier in the year.

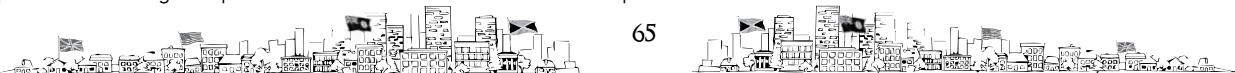
The contraction in the Building Construction component was primarily influenced by conditions in the residential segment. Housing starts facilitated by the National Housing Trust (NHT) declined sharply by 66.7%, signalling a significant deceleration in new residential development activity. This downturn was further reinforced by a 12.4% reduction in the value of NHT mortgage disbursements, which totalled \$5.5 billion for the period. The simultaneous decrease in both housing starts and mortgage financing points to a tightening in the supply of new units, with implications for future availability in the housing market, particularly given the ongoing structural demand for residential accommodation.

Meanwhile, the Other Construction category also experienced reduced activity, largely due to a contraction in capital expenditure on civil engineering works. Disbursements by the Jamaica Public Service Company fell by 54.5% to \$1.5 billion, reflecting lower spending on key installation and construction projects related to the distribution and generation of power. Similarly, funding from the Jamaica Social Investment Fund (JSIF) declined by 95.5%, attributable to reduced investment in critical infrastructure such as storm water drainage systems, roads, and water-sanitation projects.¹⁵

¹² <https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/gdpmonthlyestimateuk/december2025>

¹³ <https://researchbriefings.files.parliament.uk/documents/CBP-9040/CBP-9040.pdf>

¹⁴ <https://researchbriefings.files.parliament.uk/documents/CBP-9366/CBP-9366.pdf>



Property transfer data from the National Land Agency's JAMPROP platform shows that commercial real estate transactions totalled US\$244.75 million in 2024, declining to US\$157.75 million in 2025. This movement is consistent with the general cooling observed across several parts of the property market and corresponds with the slowdown in construction-related expenditure.

Complementing these trends, market-wide transaction data revealed a nuanced performance across asset classes. Office transactions amounted to J\$4.04 billion, down 34% year over year, reflecting more selective buyer behaviour and fewer large-ticket deals. Retail activity reached J\$1.92 billion, which increased by 29% year over year, signalling support from buyers paying premiums for stronger locations and tenant mixes. Industrial real estate continued to outperform with J\$9.74 billion in transactions, growing by 174% year over year, as capital rotated into logistics and industrial assets. Collectively, these dynamics illustrate a market adjusting to shifting macroeconomic and construction-sector conditions, with performance varying across asset types.¹⁶

THE CAYMAN ISLANDS REAL ESTATE MARKET

The Cayman Islands real estate market maintained its resilience throughout 2025, despite shifts in global interest-rate conditions and evolving investor sentiment. Total market activity reached US\$1.56 billion, marking the second-highest annual sales volume in the nation's history, surpassed only by the 2021 post-pandemic surge. While transaction counts moderated slightly, demand remained firmly anchored in the jurisdiction's economic stability, strong international appeal, and limited supply of high-quality, well-located properties.

Overall performance was shaped by a continued migration toward higher-value transactions, reflected in the rise of the average transaction value to US\$737,334, a 16% year-over-year increase. Residential and luxury segments were key drivers of this trend, with luxury sales averaging US\$5.84 million, up 11% from the previous year, including landmark transactions of approximately US\$10 million. Despite the reduction in overall transaction count, these premium-tier sales contributed meaningfully to the market's upward momentum.

Commercial activity also demonstrated steady fundamentals, supported by population and business-sector expansion. While some office absorption softened, best-in-class properties continued to lease strongly, and 2025 saw major office developments like Seven at Cricket Square reach full pre-lease ahead of completion. Average commercial leasing rates ranged from US\$37.78 to US\$54.26 per sq. ft., indicating sustained demand across industrial, retail, and office categories. Looking ahead, improved financing conditions, ongoing household growth, and limited new supply position the Cayman Islands for continued stability and long-term value as the market transitions into a more normalized growth cycle in 2026.¹⁷

ATLANTA REAL ESTATE MARKET

The U.S. commercial real estate market closed 2025 on a foundation of broad stability, with most major property sectors showing improved performance despite prior volatility. Multifamily fundamentals continued to level out as demand remained resilient and household formation supported consistent occupancy, while the retail sector sustained its role as one of the strongest performers due to limited new supply

¹⁵ https://www.pioj.gov.jm/wp-content/uploads/2026/03/DGs-QPB-30_3-Speaking-Notes.pdf

¹⁶ <https://jamprosales.nla.gov.jm/>

¹⁷ <https://www.irgcayman.com/cayman-islands-real-estate-market-reports/cayman-islands-property-market-report-2025-1>



and steady consumer activity. Office properties showed early signs of recovery following several challenging years, though slowing job growth mean headwinds remain. Industrial performance moderated but remained structurally sound, and capital-markets activity strengthened as transaction volumes and fundraising accelerated heading into 2026.¹⁸

Atlanta's multifamily sector ended 2025 with steady fundamentals, supported by strong regional job growth and continued in-migration. Over the past twelve months, the market absorbed 20,420 units, reflecting resilient renter demand even as supply pressures eased. Vacancy improved year-over-year, settling at 11.1% in Q4, down from 11.9% a year earlier. Asking rents held firm at \$1,631 per unit, underscoring stable occupancy in a market transitioning toward better balance between supply and demand.

Construction activity continued to contract, with the number of units underway declining to 16,818, a significant reduction from late 2024 levels. This moderation is expected to support a more favourable leasing environment heading into 2026 as new deliveries slow and the market absorbs existing inventory. Investment conditions remained steady, with the average sale price at \$209,695 per unit and cap rates holding at 5.50%, reflecting consistent pricing for well-located, income-producing multifamily assets despite the broader capital-market headwinds of recent years.

Overall, Atlanta's multifamily market closed 2025 in a position of gradually strengthening stability. The region's expanding workforce, relative affordability, and robust population inflows continue to underpin demand, while

the declining construction pipeline suggests improved equilibrium in the year ahead. As supply cools and absorption remains solid, conditions are expected to tighten further in 2026, supporting steady rent performance and a more balanced investment landscape.¹⁹

UK REAL ESTATE MARKET

The UK commercial real estate market entered 2026 on a path of gradual recovery, with investor confidence improving across most sectors despite lingering economic uncertainty. Industrial assets continued to outperform, supported by sustained occupier demand and limited modern stock, while prime offices and well-located retail assets demonstrated renewed resilience as vacancy levels stabilised and rental growth returned in select markets. Investor appetite broadened into long-income and alternative assets as falling interest rates widened the spread between yields and debt costs, encouraging greater capital deployment.²⁰

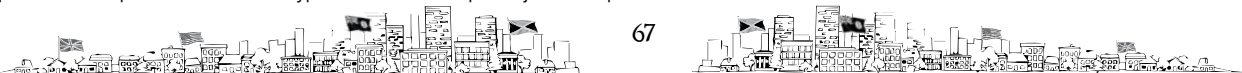
Q4 2025 closed on a stronger footing for regional UK offices, with £291 million transacted, lifting full-year volume to £916 million. Investor appetite continued to consolidate around prime ESG aligned assets, with activity increasingly focused on best-in-class buildings and a constrained development pipeline that supported pricing for higher-quality stock.

The flight to quality in the occupational markets reinforced investor preference for Grade A assets, while availability held near 4.1 million sq ft in Q4. This combined with only 1.7 million sq ft under construction across 17 schemes for the next 36 months, further aids in the stabilization of sentiment during 2026. With speculative

¹⁸ <https://www.bakertilly.com/insights/recap-commercial-real-estate-market-report-q4-2025>

¹⁹ <https://www.lee-associates.com/wp-content/uploads/2026/01/2025-Q4-Atlanta-GA-Multifamily.pdf>

²⁰ <https://www.allsp.co.uk/media/1mwaypts/invest-market-update-jan-26-a5.pdf>



completions limited to 1.2 million sq ft in 2025, supply risk at the top end remained contained, underpinning investors' focus on modern and amenity-rich assets.

As it relates to leasing, flight to quality also remained the defining theme, as Grade A accounted for 61% of all 2025 leasing with a vacancy rate of 3.4%, while overall vacancy

edged up to 14.1%. Prime headline rents increased across most markets, lifting the average regional prime rent to £41 per sq ft, consistent with occupiers competing for limited high-quality supply. Together, these dynamics position the market for steady prime rental resilience throughout 2026.²¹



²¹ <https://content.knightfrank.com/research/2793/documents/en/uk-cities-office-market-report-q4-2025-12698.pdf>



RISK EXPOSURES AND RISK MANAGEMENT STRATEGIES

COMPANY RISK MANAGEMENT

Throughout 2025, we upheld strong risk management standards focused on protecting and enhancing shareholder value. Our robust internal control environment supported the timely identification, evaluation, and mitigation of risks. Through disciplined risk management, we continue to strengthen value creation while enhancing both our financial strength and operational stability.

Our risk management framework provides a structured approach to identifying, assessing, and mitigating risks across the organisation. The review and updating of policies follow a systematic process, beginning with regular assessments conducted by management. These assessments are then evaluated by the relevant Board Committees to ensure alignment with strategic objectives and regulatory requirements. Finally, the updated

policies receive formal approval from the Board of Directors, completing the governance cycle.

This framework addresses the key risk exposures outlined in this section by Kingston Properties. By actively managing these risks, the Company aims to safeguard its financial stability and long-term performance.

RISK GOVERNANCE AND CULTURAL ALIGNMENT

Kingston Properties' risk management approach incorporates practices to identify, assess, and mitigate risks, ensuring they are managed consistently across all business units and operations. We are committed to fostering a strong risk management culture underpinned by the following principles:

- The Board has clear responsibility for risk governance, supported mainly by oversight and accountability of the Investment and Risk, Audit and Corporate Governance and Nominations committees.



- The Company ensures that risks undertaken remain within its defined risk appetite, with continuous monitoring and adaptive processes for material risks.
- Adequate capital is maintained to meet operational and strategic requirements, ensuring resilience against potential shocks.
- Accurate, timely, and relevant data is continuously monitored to support decision-making, reporting, and transparency.
- Risk management practices are tailored to the operating environment and regulatory requirements of each jurisdiction in which the Company operates.
- The Company remains proactive in identifying emerging risks, including market shifts, regulatory changes, and operational vulnerabilities, ensuring early mitigation where possible.
- The Company is committed to full compliance with all legal, regulatory, and industry standards across its operational footprint.
- A culture of continuous improvement is fostered through annual reviews of risk processes, controls, and performance to ensure they remain effective and aligned with business objectives.

EXPOSURES AND RISK MANAGEMENT STRATEGIES

The inherent nature of risk in commercial real estate (CRE) investments makes robust risk management critical to safeguarding shareholder value and operational sustainability.

The Board of Directors remains focused on assessing and mitigating risks that could materially impact the Company’s operations and long-term performance. The Company’s risk management approach emphasizes diversification by property type, geography, and tenant mix to enhance resilience against economic, market, and operational shocks.

The Company utilizes established best practices in its risk management strategies and reviews risk factors at Investment and Risk Committee meetings as well as Board meetings. Consensus-driven decision-making ensures that undertakings remain consistent with the Company’s risk appetite and that appropriate measurement and mitigation strategies are employed, including maintaining adequate funding to absorb adverse shifts.

1. ECONOMIC RISKS



Economic conditions, both domestic and international, may significantly impact tenant performance, property valuations, and financing conditions, potentially affecting the Group’s operating results. Macroeconomic downturns, higher levels of taxation, credit market volatility, and rising interest rates could reduce tenant revenues, increase defaults, lower asset values, and elevate borrowing costs, while also limiting access to financing. To mitigate these risks, the Company maintains diversification across geographies, tenants, and property types, continuously monitors macroeconomic indicators, and conducts stress testing on cash flows and tenant default scenarios. The Company maintains a disciplined funding strategy, supported by access to debt and equity markets, strong financing relationships, and a solid credit profile, which further strengthens resilience



during periods of economic uncertainty.

2. MARKET RISKS



Changes in market conditions could adversely affect the price of our stock units. As with other publicly traded securities, the value of the Company's ordinary shares depends on market perceptions of our growth potential, current and future earnings, and cash dividends. Consequently, shares may trade at prices above or below net book value per share. If future earnings or cash dividends fall short of expectations, the market price of ordinary shares is likely to decline.

3. ASSET AND INDUSTRY RISKS



The value and financial performance of the Company's real estate assets, and consequently its shares, depend on generating stable income to cover operating expenses, debt service, and capital expenditures. Disruptions such as competition, changing tenant needs, tenant financial distress, market oversupply or declining rents, and risks from private equity investments, including non-payment of dividends and potential losses on invested capital could reduce cash flows and distributions to shareholders. To mitigate these risks, the Company maintains a diversified portfolio across asset classes and jurisdictions, preserves property values through maintenance and renovations, monitors market activity, and employs active property management to optimize occupancy and manage costs, while also investing in initiatives to reduce long-term operating expenses.

4. ACQUISITION RISKS

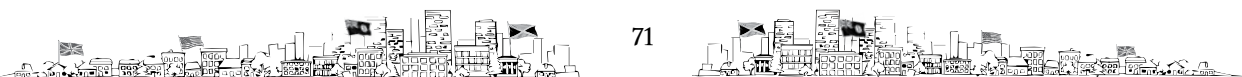


The acquisition of new properties or portfolios exposes the Company to risks that could affect financial performance and operational outcomes, including the possibility that transactions may not be completed despite deposits and preliminary costs, financing may be unavailable or unfavourable, and competitive pressures from well-capitalized investors may limit access or increase purchase prices. Additional risks include higher-than-expected costs for repositioning or maintaining properties, unfamiliarity with new markets and regulatory requirements, and unknown or contingent liabilities associated with acquisitions. To mitigate these risks, the Company conducts rigorous due diligence led by a Board-selected committee, considers alternative uses and worst-case scenarios during investment analysis, and employs contingent offers and exit clauses in acquisition agreements. The Company conducts thorough title searches, property valuations, engineering assessments, and environmental checks to confirm legal and regulatory compliance. Performance of acquired properties is continuously monitored, with the option to dispose of underperforming assets, and integration planning ensures effective management, staffing, and resource allocation to support operational success.

5. TENANT AND LEASING RISKS



The Company's income is primarily derived from rental payments, exposing it to the risk that tenants may default or delay payments, which could reduce cash flow and affect the Company's ability to pay



dividends. Tenant defaults may arise from financial difficulties, including weak business performance, broader economic downturns, industry-specific challenges, or unexpected operational disruptions. Such defaults can lead not only to lost rental income but also to additional costs associated with recovering arrears, re-letting space, and providing incentives to attract new tenants. Challenges may also arise in renewing leases or re-letting spaces, potentially resulting in less favourable terms or higher costs. To manage these risks, the Company sets tenant exposure limits across jurisdictions and industries, implements contractual safeguards such as early termination clauses and late-payment penalties, and conducts ongoing monitoring of tenant financial health to identify potential stress at an early stage, enabling proactive intervention to minimize the impact of defaults on operations and distributions.

6. REALESTATE AND CONTINGENT RISKS



Challenges in selling properties may limit the ability to adjust the portfolio in response to economic or market changes.

Legal restrictions could further constrain sales, potentially affecting shareholder returns and operating results. To mitigate these risks, the Company conducts proactive portfolio reviews and disposition planning, and incorporates appropriate contractual protection, including legal recourse provisions, to manage contingent and counterparty exposures.

7. CURRENCY RISKS



With the USD as our functional currency, the Company remains exposed to foreign exchange risks from transactions and investments

denominated in other currencies. Significant fluctuations or depreciation in these currencies could materially affect results. The Company attempts to mitigate such risks by borrowing in the functional currency, but there is no guarantee that these measures will fully offset international currency exposures. Additionally, monitoring of exchange rate movement is done to optimally time conversion actions. As much as possible, the Company arranges lease agreements in our functional currency, and where foreign currency is earned, it is utilized in settling liabilities of the same currency.

8. LEVERAGE RISK



Debt financing exposes the Company to leverage risk, including the possibility of mortgaging properties and failing to meet debt obligations, which could adversely affect cash flow and dividend payments. High levels of leverage may also limit the Company's ability to secure additional financing and increase vulnerability to economic or business downturns, potentially affecting the market price of shares. In addition, breaches of debt covenants caused by factors such as declining property valuations, reduced rental income, or unexpected increases in operating costs could result in penalties, increased interest costs, restrictions on further borrowing, or accelerated repayment obligations, further straining liquidity and operational flexibility. To mitigate these risks, the Company maintains conservative debt ratios, with debt-to-asset levels not exceeding 50% and debt-to-equity below 75%, closely monitors compliance with debt covenants, and cultivates strong, long-standing relationships with lenders to ensure continued access to financing under varying market conditions.



8. INSURANCE RISKS



Insurance costs and deductibles expose the Company to potentially material and unpredictable expenses. The Company maintains general liability and property insurance policies with coverage deemed prudent by management. Management also monitors on an ongoing basis the level of coverage in place according to standards of prudence and to guard against significant exposure to liability and loss. The potential exists that insurance cover in place for the benefit of the Company may be inadequate and/or claims may not be paid, and in either of such events the Company may suffer losses and/or be exposed to third party claims, affecting the results of the Company's operations and profitability. The Company reviews its insurance coverage annually and ensures that there is adequate coverage on all our properties.

9. PANDEMIC RISKS



Any future pandemic may result in restrictions on gatherings and movement, reducing demand for office space and limiting foot traffic in the retail sector. A prolonged pandemic could also negatively impact the global economy by lowering aggregate demand for the goods and services offered by our tenants, potentially leading to higher tenant delinquencies and increased vacancy rates. To address these risks, the Company has developed a **"future-proofing"** strategy, which involves periodically assessing the performance of major real estate sub-classes to identify trends and guide acquisitions toward those segments that have demonstrated resilience to pandemic-related disruptions.

10. INFORMATION AND CYBERSECURITY RISK



The Company relies on information systems and digital platforms to manage operations, tenant data, financial reporting, and investment decisions, exposing it to risks associated with data breaches, cyberattacks, system failures, and unauthorized access. Such incidents could disrupt operations, compromise sensitive tenant or shareholder information, result in financial losses, or damage the Company's reputation. To mitigate these risks, the Company implements robust cybersecurity protocols, conducts regular system audits, maintains data backups, and provides ongoing staff training on information security.

11. CLIMATE AND NATURAL HAZARD RISK



The Company's real estate assets are exposed to environmental and weather-related risks, including hurricanes, floods, earthquakes, and other natural hazards, which may damage properties, disrupt operations, or increase maintenance and insurance costs. Severe weather events or long-term climate changes could also affect tenant occupancy, property valuations, and rental income. To manage these risks, the Company maintains comprehensive insurance coverage, conducts regular property inspections, invests in resilient building designs and preventative maintenance, monitors climate and weather trends to inform property management and investment strategies,



and maintains financial reserves to offset potential income losses arising from natural hazards.

OTHER RISK FACTORS



REGULATORY UNCERTAINTIES

Changes in existing regulatory requirements or the introduction of new regulations in Jamaica or overseas may affect the Company operations and affect its profitability. Non-compliance with applicable laws and regulations could lead to substantial monetary and or reputational damage and/or fines, public reprimands, increased regulatory scrutiny or other regulatory restrictions.

ISSUE OF ADDITIONAL SHARES

The Directors of the Company may hereafter authorize the issue of additional ordinary shares in the Company. Such shares, once issued, may rank pari passu with the existing ordinary shares and may be listed on the JSE or any other stock exchange(s). Additional shares so issued could affect the market price of the New Ordinary Shares currently being offered.

AVAILABILITY OF THE COMPANY'S ORDINARY SHARES FOR PURCHASE

The market price of the Company's ordinary shares could decline as a result of sales of a large number of shares in the market or the perception that such sales could occur, or as a result of any sale of shares by any of the Company's existing shareholders from time to time.

NEW ACCOUNTING RULES OR STANDARDS

The Company may become subject to new accounting rules or standards that differ from those that are presently applicable. Such new accounting rules or standards could require changes in the way the Company reports its financial position, operating results or cash flows. Such changes could be applied retrospectively. The preparation of financial statements in accordance with IFRS requires the use of estimates. It also requires management to exercise judgment in applying relevant accounting policies. There is a risk that if the judgment exercised or the estimates or assumptions used subsequently turn out to be incorrect then this could have an adverse impact on the Company's financial results.

COMPETITIVE ENVIRONMENT

Changes in the macro and business environment may lead to intensified levels of competition in the jurisdictions in which the Company operate. New market entrants and/or consolidation in the subsectors in which the Company operate may also lead to increased competitive pressures which could negatively impact market share and profitability.

CROSS BORDER OPERATIONS/RISKS ASSOCIATED WITH INTERNATIONAL CONDITIONS

The Company currently has investment assets and subsidiaries in several different countries, therefore it is exposed to adverse risks which may impact on its financial results and by extension its share price.

These events include:

- **International political and economic conditions;**



- Changes in Government regulations in various countries;
- Implementation of trade barriers;

- Implementation of adverse tax consequences;
- Increased regulatory costs

KEY

FINANCIAL RISK

1. Liquidity Risk
2. Leverage Risk
3. Credit Risk
4. Market Risk
5. Refinancing Risk

STRATEGIC RISK

6. Concentration Risk
7. Tenant Risk
8. Acquisition Risk
9. Resale Risk

OPERATIONAL RISK

10. Property Management
11. Construction Risk
12. I.T & Cybersecurity
13. External Events
14. Regulatory Compliance



PROBABILITY		IMPACT	
Low	●	Low	●
Moderate	●	Moderate	●
High	●	High	●



KINGSTON PROPERTIES LIMITED

CORPORATE DATA

BOARD OF DIRECTORS

- | | |
|-----------------------|----------------------------|
| • Garfield Sinclair | Chairman |
| • Nicole Foga | Director/Company Secretary |
| • Lisa Gomes | Director |
| • Peter Reid | Director |
| • Gladstone Lewars | Director |
| • Rezworth Burchenson | Director |

REGISTERED OFFICE

7 Stanton Terrace, Kingston 6, Jamaica

CORPORATE OFFICE

36-38 Red Hills Road, Kingston 10, Jamaica

Tel: 876-754-7840 | 620-4920 | 620-4707

International Line: 305-400-1447

Website: www.kpreit.com

Email: info@kpreit.com

REGISTRAR & TRANSFER AGENT

- Jamaica Central Securities Depository

AUDITORS

- KPMG

ACCOUNTANTS

- Crichton Mullings & Associates PA - USA

ATTORNEYS-AT-LAW

- Francis Grey (Cayman Islands)
- Foga Daley (Jamaica)
- Nunes, Scholefield, DeLeon & Co. (Jamaica)
- Patterson Mair Hamilton (Jamaica)
- Hart Muirhead Fatta (Jamaica)
- Ramsay & Partners (Jamaica)
- Employment Matters Caribbean (Jamaica)
- Law Office of Peta-Gaye Moncrieffe (Jamaica)
- Buchanan Ingersoll & Rooney PC (USA)
- Greenberg Traurig, LLP (USA)
- Glitzenhirn Augustin & Co. (St. Lucia)

- Boodle Hatfield (United Kingdom)

INVESTMENT BROKERS

- Sterling Asset Management (Jamaica)
- Jamaica Money Market Brokers Limited (Jamaica)
- Barita Investments Limited (Jamaica)
- VM Wealth Management Limited (Jamaica)

BANKERS

- CIBC Caribbean Limited
- CIBC Caribbean Limited (St. Lucia)
- CIBC Caribbean Bank (Cayman) Limited
- National Commercial Bank Limited (Jamaica)
- Terrabank, N.A. (USA)
- Bank of America Incorporated (USA)
- RBC Royal Bank (Cayman) Limited
- JMMB Bank (Jamaica)
- VM Group
- Lloyds Bank (United Kingdom)
- JN Cayman

SUBSIDIARY COMPANIES

- KP(REIT) Jamaica Limited
- KPREIT (Saint Lucia) Ltd
- Kingston Properties Miami LLC
- KPREIT (Cayman) Limited
- KP Dumfries Limited
- KPRE (UK) Limited

STOCK SYMBOL

- **KPREIT**

EXCHANGE

- Jamaica Stock Exchange (Main Market)

INVESTOR RELATIONS OFFICER

Tatesha Rowe

Email: info@kpreit.com

Tel: 876-620-4707



KINGSTON PROPERTIES LIMITED

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• GROUP STATEMENT OF CHANGES IN EQUITY	87
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Financial Statement Clarification

Note 18(a) (page 118) in the audited financial statements for the year ended December 31, 2025, incorrectly stated that the authorised share capital is 2,000,000,000 ordinary shares. However, the authorised share capital was increased to an unlimited number of shares at an Extraordinary General Meeting held on August 12, 2025. This clarification relates only to the note disclosure and does not affect the primary financial statements or reported financial results.



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INDEPENDENT AUDITORS' REPORT

To the Members of
KINGSTON PROPERTIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the separate financial statements of Kingston Properties Limited (“the Company”) and the consolidated financial statements of the Company and its subsidiaries (“the Group”), set out on pages 8 to 55, which comprise the Company’s and Group’s statements of financial position as at December 31, 2025, the Company’s and Group’s statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company’s and the Group’s as at December 31, 2025, and of the Company’s and Group’s financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Jamaican Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors’ Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants, including International Independence Standards (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
KINGSTON PROPERTIES LIMITED

Report on the Audit of the Financial Statements (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters and how they were addressed in our audit

1. Valuation of investment property

See notes 3(m) and 11 for further disclosures. 'Investment property': Group: \$85,179,915 (2024: \$75,724,463) and Company: \$26,422,990 (2024: \$26,762,100).

The valuation of the Group's (including the Company's) investment property requires significant estimation, given the infrequency of trades in comparable properties in other cases, and the absence of a number of observable recent market prices. Significant judgement is used by the Group in arriving at the fair value of these properties, the fair value of which is impacted by uncertainty of market factors, pricing assumptions and general business and economic conditions used in valuing these properties.

As part of our audit procedures our response to this matter included the following:

- We used our own valuation specialists to assist us in assessing the reasonableness of the valuation methodologies employed by management, including management experts, where applicable, and the fair value conclusions for a sample of properties at the valuation date. We developed an independent expectation of fair value using our assumptions, for comparison with management's fair value estimate.
- We considered the provisions of the applicable financial reporting framework in order to evaluate the adequacy and appropriateness of those disclosures; assessed the sources of data and challenge the underlying assumptions utilised to value the properties; performed a search for similar transactions and listings to assess potential fair value changes that occurred within the period.

2. Fair value of investments

See notes 3(i), 12 and 25 for further disclosures. 'Investments': Group: \$1,506,946 (2024: \$4,443,626).

The Group uses its judgement in selecting the appropriate valuation techniques to determine fair value of financial instruments.



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INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
KINGSTON PROPERTIES LIMITED

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters (continued)

2. *Fair value of investments (continued)*

The valuation of the Group's unquoted investments has been identified as an area of significant risk, given that the measurement of the unquoted investments includes significant assumptions and judgements about expected cashflows and the determination of the discount rate to be applied.

The Group has determined the fair value of the unquoted investments using the income capitalisation approach, in the absence of a quoted price for the instrument on a trading market.

As part of our audit procedures we included the following:

- We used our own valuation specialist to assist us to evaluate the application of the valuation methodology and the reasonableness of the assumptions used in determining the discount rate, by comparing the discount rate with published market and industry data and other relevant information.
- We assessed the reasonableness of the cash flow projections by:
 - (i) comparing the input data provided by management with independent data sources (discount rate, rates of return), supporting documents (financial statements of investment company) and other information; and
 - (ii) challenging the Group's assumptions such as, the timing, amounts and future growth of the cash flows by obtaining an understanding of the relevant activities of the investee, evaluating historical performance and financial position, using our knowledge of the industry in which the investee functions and determining whether there may be variations to the contractual cash flows expected based on the knowledge obtained from our evaluation of the investee.
- We assessed the adequacy and appropriateness of the Group's disclosures against the requirements of the applicable financial reporting framework (see notes 12 and 25) to determine if these adequately disclose the key risks discussed in this key audit matter.



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INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
KINGSTON PROPERTIES LIMITED

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon (including Group chairman and CEO statements, quick facts, director's report, 10 year financial statements, management discussion and analysis, corporate data, environmental, social and governance reports). The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors.

Responsibility of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and/or the Group, to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditors' report. This description, which is located at pages 6-7, forms part of our auditors' report.



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INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
KINGSTON PROPERTIES LIMITED

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act in the manner required.

The engagement partner on the audit resulting in this independent auditors' report is Karen Ragoobirsingh.

A handwritten signature of the KPMG firm, written in a cursive, grey ink style.

Chartered Accountants
Kingston, Jamaica

February 27, 2026



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INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
KINGSTON PROPERTIES LIMITED

Appendix to the Independent Auditors' Report

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and/or the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



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INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
KINGSTON PROPERTIES LIMITED

Appendix to the Independent Auditors' Report (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Kingston Properties Limited

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)

	Notes	Group		Company	
		2025	2024	2025	2024
Operating revenues					
Rental income	4	6,047,763	4,717,392	2,273,439	1,778,258
Management fees	5	306,606	126,763	145,665	115,730
Total operating income		6,354,369	4,844,155	2,419,104	1,893,988
Operating expenses	6	(2,290,984)	(2,072,154)	(1,699,126)	(1,470,687)
Results of operating activities before other income/expenses		4,063,385	2,772,001	719,978	423,301
Other income/(expenses):					
Increase in fair value investment property	11(b)(i)	5,194,925	3,047,418	3,165,498	2,064,445
Decrease in fair value of - FVTPL investments	12(d)	(2,936,681)	(14,087)	-	-
Dividend income	15(b)	-	-	-	1,693,095
Gain on disposal of investment property		114,341	1,531,577	-	-
Impairment allowance on financial assets	16	(167,523)	(301,521)	(135,068)	(301,521)
Impairment loss on investment in subsidiary	14	-	-	(1,153,736)	-
Fees and other (expenses)/income	22	(15,310)	(200,071)	12,567	28,294
Operating profit		6,253,137	6,835,317	2,609,239	3,907,614
Finance income	7	168,093	96,918	14,763	110,814
Finance costs	7	(2,276,906)	(1,532,482)	(862,126)	(632,528)
Net finance costs	7	(2,108,813)	(1,435,564)	(847,363)	(521,714)
Profit before income tax		4,144,324	5,399,753	1,761,876	3,385,900
Income tax credit/(charge)	8	17,802	(25,570)	-	-
Profit for the year, being total comprehensive income for the year	9	\$4,162,126	5,374,183	1,761,876	3,385,900
Earnings and diluted earnings per stock unit (USD)	10	\$ 0.0047	0.0061		
Earnings and diluted earnings per stock unit (JMD)	10	\$ 0.7521	0.9509		

The accompanying notes form an integral part of the financial statements.



Kingston Properties Limited

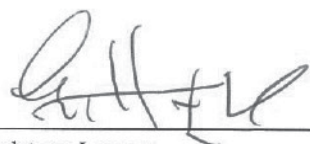
STATEMENTS OF THE FINANCIAL POSITION

Year Ended December 31, 2025

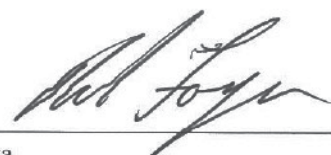
(Expressed in United States Dollars unless otherwise stated)

	Notes	Group		Company	
		2025	2024	2025	2024
NON-CURRENT ASSETS					
Investment property	11	85,179,915	75,724,463	26,422,990	26,762,100
Investments at fair value through profit or loss	12	1,506,946	4,443,626	-	-
Restricted cash	17	433,459	433,459	-	-
Furniture, software and equipment	13	43,982	53,491	43,982	49,699
Investment in subsidiaries	14	-	-	<u>23,419,468</u>	<u>20,907,954</u>
Total non-current assets		<u>87,164,302</u>	<u>80,655,039</u>	<u>49,886,440</u>	<u>47,719,753</u>
CURRENT ASSETS					
Investment property held for sale	11	5,043,825	448,139	5,043,825	-
Receivables	16	1,191,145	865,189	423,883	571,976
Income tax recoverable		34,693	33,556	33,556	33,556
Cash and cash equivalents	17	<u>801,587</u>	<u>4,593,883</u>	<u>452,979</u>	<u>2,171,300</u>
Total current assets		<u>7,071,250</u>	<u>5,940,767</u>	<u>5,954,243</u>	<u>2,776,832</u>
Total assets		<u>\$94,235,552</u>	<u>86,595,806</u>	<u>55,840,683</u>	<u>50,496,585</u>
EQUITY					
Share capital	18	34,903,346	34,903,346	34,903,346	34,903,346
Currency translation reserve	18	(1,488,861)	(1,488,861)	(4,153,262)	(4,153,262)
Retained earnings		<u>22,060,252</u>	<u>18,398,472</u>	<u>5,720,228</u>	<u>4,458,698</u>
Total equity		<u>55,474,737</u>	<u>51,812,957</u>	<u>36,470,312</u>	<u>35,208,782</u>
NON-CURRENT LIABILITIES					
Deferred tax liability	8	-	108,473	-	-
Loans payable	19	<u>34,328,446</u>	<u>30,896,940</u>	<u>15,168,313</u>	<u>11,349,221</u>
Total non-current liabilities		<u>34,328,446</u>	<u>31,005,413</u>	<u>15,168,313</u>	<u>11,349,221</u>
CURRENT LIABILITIES					
Current portion of loans payable	19	2,501,354	2,764,887	1,975,184	2,171,546
Owed to subsidiaries	15	-	-	1,346,660	1,122,719
Accounts payable and accrued charges	20	1,853,039	983,567	880,214	644,317
Income tax payable		<u>77,976</u>	<u>28,982</u>	-	-
Total current liabilities		<u>4,432,369</u>	<u>3,777,436</u>	<u>4,202,058</u>	<u>3,938,582</u>
Total liabilities		<u>38,760,815</u>	<u>34,782,849</u>	<u>19,370,371</u>	<u>15,287,803</u>
Total equity and liabilities		<u>\$94,235,552</u>	<u>86,595,806</u>	<u>55,840,683</u>	<u>50,496,585</u>

The financial statements on pages 8 to 55 were approved for issue by the Board of Directors on February 24, 2026 and signed on its behalf by:



Gladstone Lewars
Director



Nicole Foga
Director/Company Secretary

The accompanying notes form an integral part of the financial statements.

Kingston Properties Limited

GROUP STATEMENT OF CHANGES IN EQUITY

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)

	Share capital (note 18)	Currency translation reserve	Retained earnings (note 18)	Total
Balances at December 31, 2023	34,903,346	(1,488,861)	14,459,908	47,874,393
Profit for the year, being total comprehensive income	-	-	5,374,183	5,374,183
Transactions with owners of the Company:				
Dividends declared (note 21)	-	-	(1,435,619)	(1,435,619)
Balances at December 31, 2024	34,903,346	(1,488,861)	18,398,472	51,812,957
Profit for the year, being total comprehensive income	-	-	4,162,126	4,162,126
Transactions with owners of the Company:				
Dividends declared (note 21)	-	-	(500,346)	(500,346)
Balances at December 31, 2025	<u>\$34,903,346</u>	<u>(1,488,861)</u>	<u>22,060,252</u>	<u>55,474,737</u>

The accompanying notes form an integral part of the financial statements.



Kingston Properties Limited

COMPANY STATEMENT OF CHANGES IN EQUITY

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

	Share capital (note 18)	Retained earnings	Currency translation reserve (note 18)	Total
Balances at December 31, 2023	34,903,346	2,508,417	(4,153,262)	33,258,501
Profit for the year, being total comprehensive income	-	3,385,900	-	3,385,900
Transactions with owners of the Company: Dividends declared (note 21)	-	(1,435,619)	-	(1,435,619)
Balances at December 31, 2024	34,903,346	4,458,698	(4,153,262)	35,208,782
Profit for the year, being total comprehensive income	-	1,761,876	-	1,761,876
Transactions with owners of the Company: Dividends declared (note 21)	-	(500,346)	-	(500,346)
Balances at December 31, 2025	<u>\$34,903,346</u>	<u>5,720,228</u>	<u>(4,153,262)</u>	<u>36,470,312</u>

The accompanying notes form an integral part of the financial statements.

Kingston Properties Limited

STATEMENTS OF CASH FLOWS

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)

	Notes	Group		Company	
		2025	2024	2025	2024
Cash flows from operating activities					
Profit for the year		4,162,126	5,374,183	1,761,876	3,385,900
Adjustments for:					
Income tax charge (credit)/charge	8	(17,802)	25,570	-	-
Depreciation	13	15,100	23,573	15,100	19,575
Exchange gain on foreign currency balances		(4,981)	(17,907)	(2,671)	(16,444)
Interest income	7	(19,902)	(96,918)	(5,037)	(88,257)
Finance costs	7	2,276,906	1,532,482	862,126	632,528
Dividend income	8	-	-	-	(1,693,095)
Increase in fair value of investment property	11(b)(i)	(5,194,925)	(3,047,418)	(3,165,498)	(2,064,445)
Decrease in fair value of investments at FVTPL	12(d)	2,936,681	14,087	-	-
Gain on disposal of investment property		(114,341)	(1,531,577)	-	-
Loss on disposal of furniture and equipment		3,792	30,057	-	-
Impairment loss on investment in subsidiary	14	-	-	1,153,736	-
Impairment loss on financial assets	16	<u>167,523</u>	<u>301,521</u>	<u>135,068</u>	<u>301,521</u>
		4,210,177	2,607,653	754,700	477,283
Changes in:					
Receivables		(493,479)	(341,202)	13,025	(499,761)
Accounts payable and accrued charges		869,472	244,413	235,897	198,173
Owed to subsidiaries		-	-	223,941	1,566,717
Cash provided by/(used in) operating activities		4,586,170	2,510,864	1,227,563	1,742,412
Income tax (paid)/refunded		(42,814)	11,511	-	-
Net cash provided by operating activities		<u>4,543,356</u>	<u>2,522,375</u>	<u>1,227,563</u>	<u>1,742,412</u>
Cash flows from investing activities					
Interest received		27,163	87,191	2,010	85,230
Dividend received		-	-	-	1,693,095
Additions to property and equipment	13	(9,383)	(11,535)	(9,383)	(11,535)
Return of capital from investments at FVTPL	12(d)	-	406,969	-	-
Increase in investment in subsidiary		-	-	(3,665,250)	-
Additions to investment property	11(b)(i)	(10,313,858)	(14,076,750)	(1,539,217)	(6,473,873)
Proceeds of disposal of investment property		<u>1,571,987</u>	<u>4,435,649</u>	-	-
Net cash used in investing activities		(8,724,091)	(9,158,476)	(5,211,840)	(4,707,083)
Cash flows from financing activities					
Interest paid		(2,086,602)	(1,454,712)	(780,047)	(573,207)
Dividends paid		(500,346)	(1,435,619)	(500,346)	(1,435,619)
Loans received	19(v)	5,834,167	26,053,178	5,834,167	5,912,118
Loans repaid	19(v)	(2,865,280)	(14,665,511)	(2,287,818)	(1,148,126)
Restricted cash	17	-	(433,459)	-	-
Net cash provided by financing activities		<u>381,939</u>	<u>8,063,877</u>	<u>2,265,956</u>	<u>2,755,166</u>
Net (decrease)/increase in cash and cash equivalents		(3,798,796)	1,427,776	(1,718,321)	(209,505)
Effects of exchange rate fluctuations on cash and cash equivalents		6,500	(4,183)	-	9,735
Cash and cash equivalents at beginning of year		<u>4,593,883</u>	<u>3,170,290</u>	<u>2,171,300</u>	<u>2,371,070</u>
Cash and cash equivalents at end of year	17	<u>\$ 801,587</u>	<u>4,593,883</u>	<u>452,979</u>	<u>2,171,300</u>

The accompanying notes form an integral part of the financial statements.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS

Year Ended December 31, 2025

*(Expressed in United States Dollars unless otherwise stated)***1. Identification and principal activities**

Kingston Properties Limited ("the Company") is incorporated in Jamaica under the Companies Act. The Company is domiciled in Jamaica, with its registered office at 7 Stanton Terrace, Kingston 6, and the principal place of business at Building B, First Floor, 36-38 Red Hills Road, Kingston 10. The Company is listed on the Jamaica Stock Exchange.

The Company has six wholly owned subsidiaries:

- (i) KPREIT (St. Lucia) Limited was incorporated in St. Lucia under the International Business Companies Act in December 2021. On January 3, 2022 the Company transferred 100% of its shareholdings in the company formally known as Kingston Properties (St. Lucia) Limited to its subsidiary KPREIT (St. Lucia) Limited.
- (ii) On January 4, 2022 the company formally known as Kingston Properties (St Lucia) Limited was redomiciled to the Cayman Islands by way of continuation, and its name changed on the said date to KPREIT (Cayman) Limited.
- (iii) Kingston Properties Miami LLC a wholly owned subsidiary of KPREIT (Cayman) Limited was incorporated in Florida under the Florida Limited Liability Company Act.
- (iv) KP (Reit) Jamaica Limited, incorporated in Jamaica under the Companies Act.
- (v) KP Dumfries Limited, incorporated in Jamaica on February 16, 2021 under the Companies Act.
- (vi) KP (UK) Limited a wholly owned subsidiary of KPREIT (Cayman) Limited was incorporated in United Kingdom on March 20, 2024.

The Company and its subsidiaries are collectively referred to as "the Group". In these financial statements 'parent' refers to the Company and 'intermediate parent' refers to KPREIT (St. Lucia) Limited.

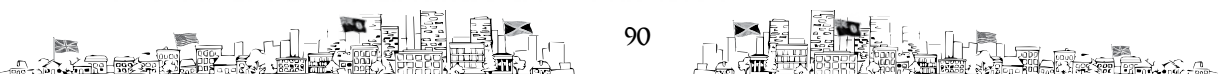
The principal activity of the Group is to manage the assets to generate rental income and fair value gains by managing attractive real estate assets in Jamaica and selected international markets.

2. Statement of compliance and basis of preparation**(a) Statement of compliance**

The financial statements have been prepared in accordance with IFRS Accounting Standards and the relevant provisions of the Jamaican Companies Act ("the Act").

New and amended standards and interpretations that became effective during the year:

Certain new and amended standards came into effect during the current financial year. The adoption of those standards and amendments did not have any significant effect on the amounts and disclosures in the financial statements.



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

2. Statement of compliance and basis of preparation (continued)

(a) Statement of compliance (continued)

New and amended standards and interpretations that are not yet effective:

At the date of authorisation of these financial statements, certain new and amended standards and interpretations have been issued which were not effective for the current year and which the Group has not early adopted. The Group has assessed them with respect to its operations and has determined that the following is relevant:

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*. The amendments apply for reporting periods beginning on or after January 1, 2026.

The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognised and derecognised and to provide an exception for certain financial liabilities settled using an electronic payment system. Companies can choose to apply the exception for electronic payments on a system-by-system basis. Given the widespread use of electronic payment systems, determining whether the exception criteria would be met for each one may require significant time and effort. If the derecognition exception criteria are not met, determining the settlement date may also present challenges and companies may be required to change their existing systems and processes.

The exception allows companies to derecognise its financial liabilities before the settlement date, when it uses an electronic payment system that meets all of the following criteria:

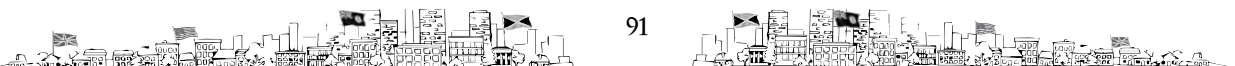
- (i) no practical ability to withdraw, stop or cancel the payment instruction;
 - (ii) no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
 - (iii) the settlement risk associated with the electronic payment system is insignificant.
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures* is effective for annual reporting periods beginning on or after January 1, 2027.

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements of IFRS 19.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.

- Annual Improvements to IFRS Accounting Standards is effective for annual reporting periods beginning on or after January 1, 2026

These amendments, published in a single document *Annual Improvements to IFRS Accounting Standards—Volume 11*, include clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS Accounting Standards



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

*(Expressed in United States Dollars unless otherwise stated)*2. Statement of compliance and basis of preparation (continued)

(a) Statement of compliance (continued)

New and amended standards and interpretations that are not yet effective (continued):

- Annual Improvements to IFRS Accounting Standards is effective for annual reporting periods beginning on or after January 1, 2026 (continued)

The amended Standards are, IFRS 1 *First-time Adoption of International Financial Reporting Standards*; IFRS 7 *Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7*; IFRS 9 *Financial Instruments*; IFRS 10 *Consolidated Financial Statements*; and IAS 7 *Statement of Cash Flows*.

- IFRS 18 *Presentation and Disclosure in Financial Statements*, is effective for annual reporting periods beginning on or after January 1, 2027. Under current IFRS Accounting Standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. IFRS 18 promotes a more structured income statement. In particular, it introduces a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories (Operating, Investing and Financing) based on a company’s main business activities.

All companies are required to report the newly defined ‘operating profit’ subtotal – an important measure for investors’ understanding of a company’s operating results – i.e. investing and financing activities are specifically excluded. This means that the results of equity-accounted investees are no longer part of operating profit and are presented in the ‘investing’ category.

IFRS 18 also requires companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. Under the new standard, this presentation provides a ‘useful structured summary’ of those expenses. If any items are presented by function on the face of the income statement (e.g. cost of sales), then a company provides more detailed disclosures about their nature.

IFRS 18 requires some ‘non-GAAP’ measures to be reported in the financial statements. It introduces a narrow definition for management performance measures (MPMs), requiring them to be a subtotal of income and expenses, used in public communications outside the financial statements and reflective of management’s view of financial performance. For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Companies are discouraged from labelling items as ‘other’ and will now be required to disclose more information if they continue to do so.

The Group is assessing the impact that this amendment will have on the financial statements when it becomes effective.

(b) Basis of measurement

The financial statements are prepared on the historical cost basis, except for investment property and investments in real estate funds which are measured at fair value.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
2. Statement of compliance and basis of preparation (continued)
(c) Functional and presentation currency

The financial statements are presented in United States dollars (\$), the Company's functional currency, unless otherwise indicated.

(d) Use of judgements and estimates

The preparation of the financial statements in conformity with IFRS Accounting Standards requires management to make estimates and judgements that affect the selection of accounting policies and the reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income, expenses, gains and losses for the period then ended. Actual amounts could differ from those estimates. The estimates and the assumptions underlying them, are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period of the revision and future periods if the revision affects both current and future periods. The critical judgements made in applying accounting policies and the key areas of estimation uncertainty that have the most significant effect on the amounts recognised in the financial statements, and or that have a significant risk of material adjustment in the next financial period, are as follows:

(i) Judgements:

For the purpose of these financial statements, judgement refers to the informed identification and analysis of reasonable alternatives, considering all relevant facts and circumstances, and the well-reasoned, objective and unbiased choice of the alternative that is most consistent with the agreed principles set out in IFRS Accounting Standards.

The key relevant judgements are as follows:

Impairment of financial assets

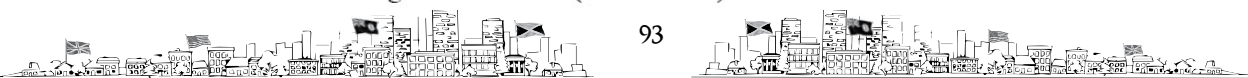
Measurement ECL allowance for rent receivable: key assumptions in determining the methodology for incorporating the provision matrix into the measurement of expected credit losses (ECL) [see notes 3(h) and 24(a)].

(ii) Key assumptions concerning the future and other sources of estimation uncertainty:
(1) Valuation of investment property

Investment property is measured at fair value. Given the infrequency of trades in comparable properties in some cases, and therefore the absence of a number of observable recent market prices, fair value is less objective and requires significant estimation, which is impacted by the uncertainty of market factors, pricing assumptions and general business and economic conditions [see note 11(c)].

(2) Valuation of investments at fair value through profit or loss (FVTPL)

Management uses its judgement in selecting the appropriate valuation techniques to determine fair value of financial instruments. The estimates of fair value arrived at may be significantly different from the actual price of the instrument in an actual arm's length transaction (see note 12).



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

*(Expressed in United States Dollars unless otherwise stated)*3. Material accounting policies

The Group has consistently applied the accounting policies set out below to all periods presented in these financial statements.

(a) Consolidation

The consolidated financial statements combine the financial position, results of operations and cash flows of the Company and its subsidiaries (note 1), after eliminating intra-group amounts.

(i) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses (except for any foreign currency gains or losses) arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Investment in subsidiaries

Investments in subsidiaries (note 1) are carried at cost less impairment. At each reporting date, the Company assesses whether there is any indication that an investment may be impaired. If such an indication exists, the Company estimates the investment's recoverable amount, being the higher of its fair value less costs of disposal or its value in use.

An impairment loss is recognised in profit or loss if the carrying amount of an investment exceeds its recoverable amount.

Impairment losses on investments in subsidiaries are reversed only to the extent that the revised recoverable amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior periods.

(c) Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less used in the management of short term commitments and subject to an insignificant change in fair value.

(d) Accounts payable and accrued charges

Accounts payable and accrued charges are measured at amortised cost.



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
3. Material accounting policies (continued)
(e) Receivables

Receivables are measured at amortised cost less impairment losses, if any.

(f) Related parties

A related party is a person or entity that is related to the Group.

(i) A person or a close member of that person's family is related to the Group if that person.

- (1) has control or joint control over the Group;
- (2) has significant influence over the Group; or
- (3) is a member of the key management personnel of the Group.

(ii) An entity is related to the Group if any of the following conditions applies:

- (1) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (2) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (3) Both entities are joint ventures of the same third party.
- (4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (5) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (6) The entity is controlled, or jointly controlled by a person identified in (i).
- (7) A person identified in (i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (8) The entity, or any member of a group of which it is a part provides key management services to the Group.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

(g) Foreign currencies

(i) Transactions in foreign currencies are translated to the functional currency at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rates ruling at that date.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

*(Expressed in United States Dollars unless otherwise stated)*3. Material accounting policies (continued)

(g) Foreign currencies (continued)

(i) (Continued)

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

Exchange differences arising on settlement of monetary items or on reporting the Group's monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements, are recognised as income or expense in the period in which they arise. Non-monetary assets and liabilities that are denominated in foreign currencies and are measured at historical cost are translated at the foreign exchange rate ruling at the date of the transaction.

Non-monetary assets and liabilities that are denominated in foreign currencies and are carried at fair value are translated to the functional currency at the foreign exchange rates ruling at the dates that the fair values were determined.

- (ii) For foreign operations with a functional currency different from the Company's presentation currency, the results and financial position are translated into the presentation currency as follows: assets and liabilities (including goodwill and fair value adjustments, if any) at the closing rate at the reporting date; income and expenses at exchange rates at the dates of the transactions (or average rates if appropriate); and equity items at historical rates. Exchange differences arising on translation are recognized in other comprehensive income and accumulated in the foreign currency translation reserve.

(h) Impairment

Financial assets

The Group recognises a loss allowance for expected credit losses (ECL) on financial assets that are measured at amortised cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on financial assets has increased significantly if it is more than 30 days past due. For rent receivables, the Group applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision matrix.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

3. Material accounting policies (continued)

(h) Impairment (continued)

Financial assets (continued)

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to action such as realising security if any is held; or
- the financial asset is more than 90 days past due.

The Group uses judgement when considering the following factors that affect the determination of impairment:

Macroeconomic factors, forward looking information and multiple scenarios

The Group applies an unbiased and probability weighted estimate of credit losses by evaluating a range of possible outcomes that incorporates forecasts of future economic conditions. Macroeconomic factors and forward-looking information are incorporated into the measurement of ECL as well as the determination of whether there has been a significant increase in credit risk since origination. Measurement of ECL at each reporting period reflect reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions.

The lifetime ECL are determined by taking into consideration historical rates of default for each segment of aged receivables as well as the estimated impact of forward-looking information.

Life-time ECLs are the ECLs that result from all possible default events over the expected life of the financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

*(Expressed in United States Dollars unless otherwise stated)*3. Material accounting policies (continued)

(h) Impairment (continued)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due; or
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group has a policy of writing off the gross carrying amount when the financial asset is 90 days past due based on historical experience of recoveries of similar assets / individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery.

The Group expects no significant recovery from the amount written off.

However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due. Based on its experience, there have been no recoveries after write-off.

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

For the purpose of impairment testing, assets are grouped into cash-generating units (CGUs) that generate independent cash inflows.

The recoverable amount of an asset or CGU is the higher of:

- value in use, based on estimated future cash flows discounted at a pre-tax discount rate reflecting current market assessments of the time value of money and asset-specific risks; and
- fair value less costs of disposal.



NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
3. Material accounting policies (continued)
(h) Impairment (continued)
Non-financial assets (continued)

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

As the Group has no goodwill, Impairment losses are allocated to assets in the CGU on a pro-rata basis. Impairment losses are reversed only to the extent that the asset's revised carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment been recognised previously.

(i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. In these financial statements, financial assets comprise receivables, cash and cash equivalents, investment at FVTPL instruments, restricted cash and owed by subsidiaries. Financial liabilities comprise accounts payable, loan payable and owed to subsidiaries.

Recognition and initial measurement

Rent receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. For operating leases, when a lease payment becomes due from the lessee and remains unpaid, the Group recognises a lease receivable for the contractual amount due, measured at amortised cost and subject to expected credit loss provisions in accordance with IFRS 9.

Classification
Financial assets

The financial assets that meet both of the following conditions and are not designated as at fair value through profit or loss: a) are held within a business model whose objective is to hold assets to collect contractual cash flows, and b) whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, are classified as "Held to collect" and measured at amortised cost. Classification is based on a business model assessment. No asset is measured at fair value through other comprehensive income. Financial assets are generally not reclassified after initial recognition.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

*(Expressed in United States Dollars unless otherwise stated)*3. Material accounting policies (continued)

(i) Financial instruments (continued)

*Classification (continued)**Financial assets (continued)*

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Held to collect financial assets comprises the following captions:

- Reverse repurchase agreements
- Receivables
- Owed by subsidiaries

*Financial liabilities**Initial recognition and measurement*

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs. The Group's financial liabilities include accounts payable, loans payable and owed to subsidiaries, which are recognised initially at fair value.

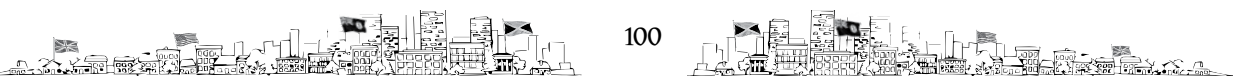
Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, with the difference in the respective carrying amounts recognised in the consolidated statement of profit or loss and other comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
3. Material accounting policies (continued)
(j) Capital
(i) Classification

Ordinary shares are classified as equity. Ordinary share capital is initially measured net of directly attributable issue costs.

(ii) Share issue costs

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds of issue.

(iii) Dividends

Dividends are recorded in the financial statements in the period in which they are declared and become irrevocably payable.

(k) Income tax

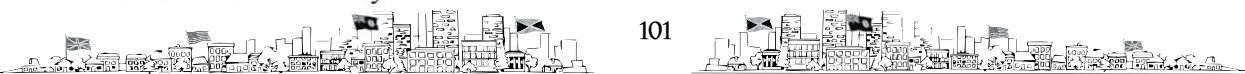
Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income, in which case it is also recognised in other comprehensive income.

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on laws that have been enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets or liabilities. For this purpose the carrying amount of investment property measured at fair value is presumed to be recovered through sale. Accordingly, no deferred tax is recognised on fair value gains or losses arising on investment properties in jurisdictions where, under the prevailing tax legislation, the disposal of such properties does not give rise to capital gains tax.

A deferred tax asset is recognised only to the extent that management can demonstrate that it is probable that future taxable profits will be available against which the asset can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Current and deferred tax assets and liabilities are offset in the statement of financial position if they apply to the same tax authority.



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

*(Expressed in United States Dollars unless otherwise stated)*3. Material accounting policies (continued)

(k) Income tax (continued)

Deferred tax is not recognised for temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

(l) Furniture, software and equipment

- (i) Items of office equipment, furniture and computer software are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of an asset. The cost of replacing part of an item is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably.

The costs of day-to-day servicing of office equipment, software and furniture are recognised in profit or loss as incurred. Any gain or loss on furniture, software and equipment is recognised in profit or loss.

- (ii) Depreciation is recognised in profit or loss on the straight-line basis over the estimated useful life of the asset. The estimated useful lives, residual values and depreciation methods are reviewed at annually, and any changes in estimates are accounted for prospectively. The depreciation rates for furniture, computer software and equipment are as follows:

Computer and accessories	20%
Furniture and fixtures	10%
Computer software	33.3%

(m) Investment property

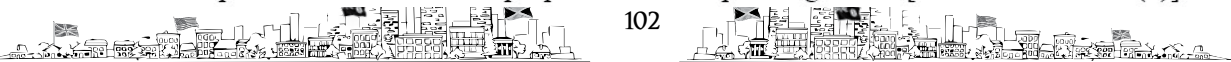
Investment property comprises commercial complexes of offices, warehouses and a commercial manufacturing building held for long-term rental yields and capital gain.

Investment property is initially recognised at cost, including any directly attributable transaction costs that are necessary to bring the asset into use. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of investment property and repairs and maintenance. Subsequent to initial recognition, investment property is measured at fair value.

Fair value is estimated every two years by an independent registered valuer, with recent experience in the location and category of the property being valued and in each intervening year by management. Fair value is based on current prices in an active market for similar properties in similar location and condition. Any gain or loss arising from a change in fair value is recognised in profit or loss.

Rental income from investment property is recognised as operating revenue on a straight-line basis over the term of the lease.

The Group leases out investment properties under operating leases [see notes 4 and 11(d)].



NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
3. Material accounting policies (continued)
(m) Investment property (continued)

Investment properties are transferred to non-current assets held for sale when management is committed to a plan to sell the asset in the short term and expects to complete the sale within the next 12 months. When an item is classified as Investment Property held for sale, the Group continues to measure the property at fair value according to IAS 40, until it is derecognised.

Investment properties are derecognised on disposal and the gain or loss on disposal is determined as the difference between the disposal proceeds net of directly attributable transaction costs and the carrying amount of the investment property at the date of derecognition. Any gain or loss arising from a disposal is recognised in profit or loss in the period in which the disposal occurs.

(n) Borrowings

Borrowings are recognised initially at fair value net of transaction costs incurred. Borrowings are subsequently measured at amortised cost and any difference between net proceeds and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

The Group finances the acquisition and construction of investment properties through a combination of debt and equity. Borrowing costs that are directly attributable to the acquisition or construction of qualifying investment properties are capitalised as part of the cost of the asset.

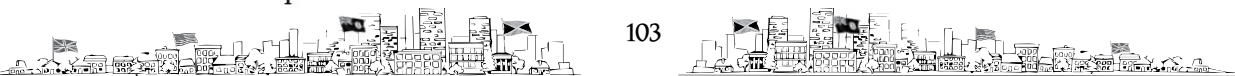
Where specific borrowings are used to finance the construction of an investment property over a period exceeding six months, the related interest costs are capitalised during the period of construction. Where construction is financed from general borrowings, borrowing costs are capitalised by applying the Group's weighted average cost of debt to the expenditure incurred on the asset during the construction period. Capitalisation of borrowing costs ceases when the asset is substantially complete and available for its intended use, or during periods in which construction activity is significantly interrupted.

Certain borrowings are described in the loan agreements as demand installation loans and are repayable in monthly installments over periods of seven (7) to twenty (20) years. These loans are secured by properties and there are certain covenant requirements which must be met by the Group. The nature of such loans in substance is that the financial institutions will only demand loan repayments, other than regular installation payments, in the sole event that the Group defaults on its covenant obligations and fails to cure such defaults in accordance with the loan agreements. Such borrowings are therefore classified as long-term borrowings in these financial statements. If the Group defaults on the loan covenants, the borrowings will be reclassified as short-term loans until such time as the default is cured to the satisfaction of the financial institution.

(o) Revenue recognition

Rental income from investment property is recognised as operating revenue on a straightline basis over the term of the lease.

The Group provides maintenance service for its commercial office spaces and charges management fees for this service. Fees are calculated based on a fixed percentage of the rental income and are charged monthly. Management fees are recognised over time as the related services are provided.



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

*(Expressed in United States Dollars unless otherwise stated)*3. Material accounting policies (continued)

(p) Fair value gains and losses

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. It is determined by reference to market evidence and, where appropriate, valuation techniques that maximise the use of observable inputs. Fair value gains or losses are measured as the difference between the market price of assets and liabilities and their carrying values.

When one is available, the Group measures the fair value of a financial instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, and in the case of investment property, the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

Changes in the fair value of investment property are recognised in profit or loss in accordance with IAS 40.

Changes in the fair value of financial assets measured at FVTPL are recognised in profit or loss in accordance with IFRS 9.

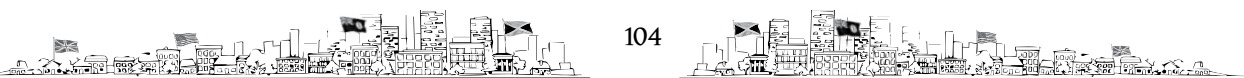
(q) Finance costs and income

Net finance costs comprise interest expense on borrowings calculated using the effective interest method, commitment fees, interest income on funds invested and foreign exchange gains and losses recognised in profit or loss. Interest income is recognised in profit or loss as it accrues, taking into account the effective yield on the asset. The interest expense on loans is recognised in profit or loss using the effective interest method.

(r) Leases

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
3. Material accounting policies (continued)
(r) Leases (continued)

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

4. Rental income

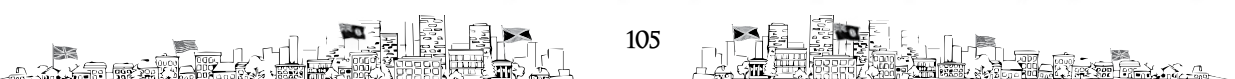
Rental income represents gross revenues from investment properties owned by the Group in Jamaica, Cayman Islands and United Kingdom [see note 11(d)]. The lease terms generally run from three (3) to five (5) years, with options to renew. Some leases may have options for periodic rate adjustments to reflect market rentals. The leases are fixed rate leases in the currency in which they are negotiated.

5. Management fees

The total management fees of \$306,606 (2024: \$126,763) includes (i) fees charged by the Company against the Common Area Maintenance Accounts of the investment properties located in Jamaica only of \$145,665 (2024: \$115,730) and (ii) net operating profits earned under a management agreement at Aztec Business Centre, UK amounting to \$162,941 (2024: \$11,033).

6. Operating expenses

	Group		Company	
	2025	2024	2025	2024
Accounting fees	52,703	2,191	-	-
Advertising and promotion	22,458	22,476	22,458	22,476
Audit fees - current year (note 9)	121,983	102,766	62,996	58,068
Audit fees - prior year under accrual (note 9)	-	900	-	-
Bank charges	8,250	7,129	3,243	2,053
Brokers fees	41,741	28,127	5,750	16,384
Depreciation (note 13)	15,100	23,573	15,100	19,575
Directors' fees [note 9 and 16(b)]	95,231	99,990	47,616	49,995
Donations	3,052	10,660	3,052	10,660
Dues and subscriptions	13,587	14,763	13,343	14,529
Property expenses [note 11(e)]	620,300	620,739	393,431	316,324
Regulatory fees and charges	33,960	30,583	33,960	30,583
Salaries and related costs	1,102,881	957,758	968,665	811,125
Contribution and defined contribution plan	49,653	34,935	49,653	34,935
Office expenses	36,453	72,422	35,630	69,924
Other operating expenses	64,568	32,721	36,536	5,792
Utilities	9,064	10,421	7,693	8,264
	\$2,290,984	2,072,154	1,699,126	1,470,687



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

7. Net finance costs

	Group		Company	
	2025	2024	2025	2024
Finance income:				
Interest income	19,902	96,918	5,037	88,257
Foreign exchange gains	<u>148,191</u>	<u>-</u>	<u>9,726</u>	<u>22,557</u>
Total finance income	<u>168,093</u>	<u>96,918</u>	<u>14,763</u>	<u>110,814</u>
Finance costs:				
Foreign exchange losses	-	(9,471)	-	-
Interest expense	(2,077,820)	(1,454,156)	(785,745)	(582,943)
Commitment fees [note 19(v)]	<u>(199,086)</u>	<u>(68,855)</u>	<u>(76,381)</u>	<u>(49,585)</u>
Total finance costs	<u>(2,276,906)</u>	<u>(1,532,482)</u>	<u>(862,126)</u>	<u>(632,528)</u>
Net finance costs	<u><u>\$(2,108,813)</u></u>	<u><u>(1,435,564)</u></u>	<u><u>(847,363)</u></u>	<u><u>(521,714)</u></u>

8. Income tax charge

(a) Taxation comprises:

	Group		Company	
	2025	2024	2025	2024
Current income tax charge:				
Income tax at 25%	90,671	25,570	-	-
Deferred income tax expense:				
Temporary differences	<u>(108,473)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total income tax (credit)/charge	<u><u>\$(17,802)</u></u>	<u><u>25,570</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

(b) Reconciliation of actual tax expense:

The tax rate for the Company as well as Jamaica and UK subsidiaries is 25% (2024: 25%) of profit before income tax, adjusted for tax purposes, while the tax rate for the St. Lucia subsidiary is 30% (2024: 30%) of profits, and that for the Florida subsidiary is 21% (2024: 21%).

The actual tax charge for the year is as follows:

	Group		Company	
	2025	2024	2025	2024
Profit before income tax	<u>\$4,144,324</u>	<u>5,399,753</u>	<u>1,761,876</u>	<u>3,385,900</u>
Computed "expected" tax expense at Jamaican tax rate of 25%	1,036,081	1,349,938	440,469	846,475
Effect of different tax rates in foreign jurisdictions	(283,314)	(619,421)	-	-
Fair value gains disallowed	(791,374)	(761,855)	(791,374)	(516,111)
Depreciation and capital allowances	(149,646)	(159,101)	(109,961)	(119,416)
Disallowed expenses/(income), net	14,226	86,182	302,567	(334,671)
Increase in unutilized tax losses	<u>156,225</u>	<u>129,827</u>	<u>158,299</u>	<u>123,723</u>
Actual tax (credit)/charge	<u><u>\$(17,802)</u></u>	<u><u>25,570</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Effective rate of tax %	<u><u>(0.45)</u></u>	<u><u>0.47</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
8. Income tax charge (continued)

- (c) Although tax losses may be carried forward indefinitely in Jamaica, the amount that can be utilised in any one year is restricted to 50% of chargeable income for that year. There was no tax loss utilised in the current year (2024: \$Nil).

Income tax losses, available for set-off against future taxable profits, amounted to approximately \$2,171,347 for the Company and \$4,055,523 for the Group (2024: \$1,438,657 for the Company and \$1,699,086 for the Group).

The Company did not disclose any deferred tax asset as this was immaterial based on the temporary differences. Deferred tax assets amounting to \$834,730 (2024: nil) have not been recognised in respect of Kingston Properties Miami LLC, as management considers that it is not probable that sufficient taxable profits will be available in the company against which the deferred tax asset can be utilised. The amount of tax losses used by the Group to reduce deferred tax expense during the year was \$90,109 (2024: \$9,061).

- (d) The balances and movements on deferred tax are as follows:

	<u>Group</u>		
	<u>Balance at December 31, 2024</u>	<u>Recognised in profit or loss</u>	<u>Balance at December 31, 2025</u>
Investments	<u>108,473</u>	<u>(108,473)</u>	<u>-</u>

9. Profit for the year

The following are among the items charged in arriving at the profit for the year:

	<u>Group</u>		<u>Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Auditors' remuneration				
- current year (note 6)	121,983	102,766	62,996	58,068
- prior year (note 6)	-	900	-	-
Key management personnel:				
Short-term employee benefits	536,353	635,979	536,353	635,979
Directors' remuneration fees (note 6)	<u>95,231</u>	<u>99,990</u>	<u>47,616</u>	<u>49,995</u>

10. Earnings per stock unit

Diluted EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding the during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and dilutive earnings per share are identical.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

10. Earnings per stock unit (continued)

The earnings per stock unit is computed by dividing the profit for the year of \$4,162,126 (2024: \$5,374,183), attributable to the Group's stockholders, by a weighted average number of stock units in issue during the year, determined as follows:

	<u>2025</u>	<u>2024</u>
Ordinary stock units at January 1, being weighted average number of ordinary stock units held during the year	<u>884,000,000</u>	<u>884,000,000</u>
	<u>2025</u>	<u>2024</u>
Earnings and diluted earnings per stock unit (USD)	<u>\$0.0047</u>	<u>0.0061</u>
Earnings and diluted earnings per stock unit (JMD)	<u>\$0.7521</u>	<u>0.9509</u>

There have been no other transaction involving ordinary shares or potential ordinary shares between the reporting date and the date of authorization of these financial statements.

11. Investment property

(a) Investment property held by the Group are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Red Hills Road Commercial Complex*	6,418,684	6,418,684	6,418,684	6,404,066
Spanish Town Road Commercial Complex*	-	3,398,231	-	3,412,850
East Ashenheim Road*	7,980,000	7,980,000	7,980,000	7,980,000
Grand Harbour Shoppes*	16,192,000	14,886,573	-	-
Grenada Crescent*	8,136,786	8,136,566	-	-
Rosedale Warehouses*	3,299,000	2,575,000	-	-
Harbour Centre*	14,157,295	14,077,311	-	-
Rousseau Road*	2,160,475	692,543	2,160,475	692,542
232A Spanish Town Road*	3,470,000	1,878,811	3,470,000	1,878,811
GumTree*	3,002,842	4,011,183	-	-
East Street and John's Lane Parking Lot*	673,902	673,902	673,902	673,902
6, 8-10 Duke Street*	5,719,929	5,719,929	5,719,929	5,719,929
2350 Aztec West	5,274,564	5,275,730	-	-
Dorking Office	4,642,994	-	-	-
Lakeview East, Dartford	<u>4,051,444</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$85,179,915</u>	<u>75,724,463</u>	<u>26,422,990</u>	<u>26,762,100</u>

*See note 19 (iv)

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
11. Investment property (continued)
(b) (i) Reconciliation of carrying amount:

The carrying amounts of investment property have been determined as follows:

	Group		Company	
	2025	2024	2025	2024
Balance as at beginning of year	75,724,463	59,178,916	26,762,100	18,223,782
Additions during the year	10,313,858	14,076,750	1,539,217	6,473,873
Disposals during the year	(1,009,506)	(2,904,072)	-	-
Transfer from deposit on property	-	2,773,590	-	-
Transfers (to)/from held-for-sale [see note 11(f)]	(5,043,825)	(448,139)	(5,043,825)	-
Fair value gains	<u>5,194,925</u>	<u>3,047,418</u>	<u>3,165,498</u>	<u>2,064,445</u>
Balance at end of year	<u>\$85,179,915</u>	<u>75,724,463</u>	<u>26,422,990</u>	<u>26,762,100</u>

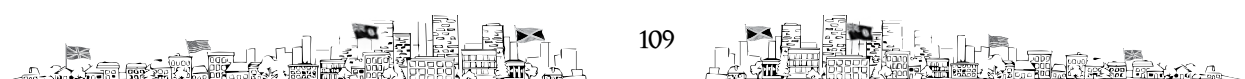
Additions include capitalised borrowing cost of \$36,132 (2024: \$Nil)

(b) (ii) The fair value measurement for investment property is classified as Level 3.

Valuation techniques and significant unobservable inputs:

The following table shows the valuation techniques used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<p><i>Investment approach using discounted cash flow method:</i> The valuation model examines the price an investor would be prepared to pay for the right to receive a certain income stream.</p> <p>The model considers the present value of net cash flows to be generated from the property, taking into account expected rental growth rate, and current rental rates. The estimated net cash flows are discounted using current yields. Among other factors, the yield estimation considers the quality of a building and its location, tenants' credit quality and lease terms.</p>	<ul style="list-style-type: none"> • Annual net income • Exit Capitalization (CAP) rates 7.00% - 9.00% • Discount factor 9.00% - 9.50% 	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> • CAP rates were lower/(or decrease if CAP rates were higher). • Discount factor were lower/(or decrease if discount factor were higher). • Gross rental rates were higher (lower); or • Land values were higher/(lower) • Lease terms were longer (shorter)



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

- (b) (ii) The fair value measurement for investment property is classified as Level 3 (continued)

Valuation techniques and significant unobservable inputs (continued):

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<p><i>Sales comparison approach:</i> The approach relies heavily upon the principle of substitution. Recent sales of similar properties are gathered and a meaningful unit of comparison is developed.</p> <p>A comparative analysis of the subject is done, involving consideration for differences in location, time, terms of sales and physical characteristics.</p>	<ul style="list-style-type: none"> • Sales of similar properties 	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> • Sales prices of similar properties were higher/(lower)
<p><i>Income approach using income capitalization method:</i> This approach converts anticipated annual net income into an indication of value. This process is called capitalization, and involves dividing the annual net income by a rate that weighs such considerations such as risk, time, and return on investment.</p>	<ul style="list-style-type: none"> • Annual net income • Capitalization rates 7.00% - 9.00% 	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> • Annual net income was higher/(lower) • Capitalization rate was lower/(higher)

The income approach is used for investment property in the Cayman Islands, and investment approach are used for all properties located in Jamaica.

The sales comparison approach is used for land that is being held for rent or capital appreciation as per IAS 40.

- (c) (i) The fair value of investment property as at the reporting date is based on estimates of open market value, which may be defined as the best price at which an interest in a property might reasonably be expected to be sold by private treaty at the date of valuation, assuming:
- a willing seller;
 - a willing buyer;
 - a reasonable period in which to negotiate a sale, taking into account the nature of the property and state of the market;
 - values are expected to remain stable throughout the period of market exposure and disposal by way of sale;
 - the property will be freely exposed to the market;
 - that no account has been taken of any possible additional bid(s) reflecting any premium in price which might be forth-coming from a potential purchaser with a special interest in acquiring the premises; and
 - that the subject premises, in its current zoned use class, can be sold, exchanged, transferred, let, mortgaged or used for any other economic activity, within its land use class, in the open market.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
11. Investment property (continued)
(c) (Continued)

- (ii) The 591 Spanish Town Road Commercial Complex and the property located at 232A Spanish Town Road were revalued as at December 31, 2025, by independent valuers, NAI Jamaica: Langford and Brown.
- (iii) The Red Hills Road Commercial Complex and the properties located at East Ashenheim Road and Grenada Crescent were revalued by independent valuers, NAI Jamaica: Langford Brown as at December 31, 2024.
- (iv) The Harbour Centre was revalued by independent valuers, DDL Studio Limited, of the Cayman Islands as at March 7, 2024.
- (v) The Rosedale property and Grand Harbour Shoppes were revalued by independent valuers, DDL Studio Limited, of the Cayman Islands as at December 31, 2025.
- (vi) The properties located at 6 & 8-10 Duke Street and East Street & John's Lane parking lot, and Rousseau Road in Jamaica; Gumtree in Cayman; and 2350 Aztec West, Dorking and Lakeview East in the UK, were all acquired less than 2 years ago at their estimated fair values which are deemed to be the fair values as at December 31, 2025.

(d) Gross rental income from investment property is as disclosed in note 4.

(e) Property operating expenses (note 6) are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Strata fees	62,031	48,401	-	-
Insurance premiums	269,222	265,959	267,972	226,173
Property taxes	15,656	13,265	15,656	13,265
Professional fees	201,462	119,185	87,944	65,259
Repairs and maintenance	24,229	27,484	21,859	11,627
Management fees	<u>47,700</u>	<u>146,445</u>	<u>-</u>	<u>-</u>
	<u>\$620,300</u>	<u>620,739</u>	<u>393,431</u>	<u>316,324</u>

(f) During the year, the Group disposed of the final unit in Tropic Centre and one unit in the Gumtree warehouse complex. The Tropic Centre unit had been classified as an asset held for sale in the prior year. The properties were sold during the period and resulted in a total gain on disposal of \$114,341, representing the excess of net proceeds over their carrying amounts at the date of sale.

During the year, the 591 Spanish Town Road Industrial Complex was reclassified as investment property held for sale following Management's decision to actively market the property. The asset is available for immediate sale, and its disposal is considered highly probable. The property continues to be measured at fair value in accordance with the Group's accounting policy for investment property and is expected to be sold within twelve months of classification as part of the Group's strategy to optimise its portfolio.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

12. Investments at fair value through profit or loss

	Group	
	2025	2024
CGI Fund (a)	-	600,000
Polaris at Camp Creek LLC (b)	1,506,946	2,458,779
Polaris at East Point Partners (c)	-	1,384,847
	<u>\$1,506,946</u>	<u>4,443,626</u>

Kingston Properties Miami LLC (KPM), a subsidiary of the Company acquired equity interest in unquoted investment Funds during the prior years. However, the Company did not apply the equity method of accounting and recorded these interests as a FVTPL investments since KPM does not have significant influence over the operations of these Funds.

The Group's holdings in these Funds is subject to the terms and conditions of the respective Funds' offering documents and are susceptible to market price risk arising from uncertainties about the future values of these Funds. The investments are being managed under subscription agreements which give the General Partner of the Funds full management control over all operational and strategic decisions about the underlying assets. These subscription agreements specifically exclude the Company from participating in the relevant activities, which precludes the Company from having significant influence over the investees. The Company earns dividend distributions from the Funds' earnings as determined by the General Partners and the investments are recoverable from the net assets of the Funds on winding up.

The Group has not provided any non-contractual support during 2025 and 2024 to these Funds. Also, as at 31 December 2025 and 2024 the Group had no obligation or intention to provide support to these Funds.

- (a) During 2020 the Miami subsidiary invested \$1,000,000 in capital (representing a 2.1% interest) in CGI Fund I as a limited partner. This is an equity investment from which the Company earns dividend distributions and the investment is expected to be recovered from net assets upon the Fund's termination. The Fund which is managed by CGI Investment Management LLC, invests in a portfolio of class-A office buildings and mixed-use properties in Miami. The investment is measured at fair value and categorised as Level 3 in the fair value. The following table shows the valuation techniques and significant unobservable inputs used. There was a fair value loss of \$600,000 recognized during the year (2024: \$400,000) [see note 12(d)]. Further, the Company received no dividend (2024: \$Nil) in respect of this investment.

Valuation technique	Significant unobservable inputs	Range of input	Inter-relationship between key unobservable inputs and fair value measurement
<p>Investment approach: The valuation model examines the price an investor would be prepared to pay for the right to receive a certain income stream.</p> <p>The model considers the present value of net equity cash flows to be generated from the property, taking into account expected rental growth rate, and current rental rates. The estimated net cash flows are discounted using current yields. Among other factors, the yield estimation considers the quality of a building and its location, tenants' credit quality and lease terms.</p>	<ul style="list-style-type: none"> Overall capitalization rate Discount rate Terminal capitalisation rate 	<p>5.00% - 7.00%</p> <p>7.25% - 8.25%</p> <p>5.75% - 6.75%</p>	<ul style="list-style-type: none"> Reduction in the capitalisation rates and discount rate will increase the investment values Increase in the growth rate will increase the investment value

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
12. Investments at fair value through profit or loss (continued)
(b) Subscription fund units

During 2021 the Company acquired 1,831,364 units (representing a 38% interest) at the cost of US\$1,831,364 in Polaris at Camp Creek LLC, a Delaware limited liability company (Polaris). Polaris was formed to acquire and develop a multi-family property in Atlanta, USA thereby providing members with commercial real estate opportunities via subscription for units in the company. This is an equity investment from which the Company earns dividend distributions, and the investment is expected to be recovered from net assets upon the Fund's termination. The investment is measured at fair value through profit or loss [see note 2(d)(i)(3)].

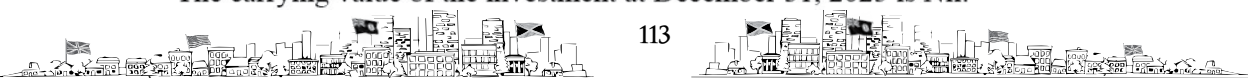
The fair value measurement of the units is categorised as Level 3 and the following table shows the valuation techniques and significant unobservable inputs used. A fair value loss of \$951,834 was recognized during the year (2024: gain of \$614,120), see note 12(d).

Valuation technique	Significant unobservable inputs	Range of input	Inter-relationship between key unobservable inputs and fair value measurement
<p><i>Income capitalisation approach:</i></p> <p>This approach converts anticipated annual net income into an indication of value. This process is called income capitalisation and involves multiplying the annual net income by a factor or dividing it by a rate that weighs such considerations such as risk, time, and return on investment.</p>	<ul style="list-style-type: none"> Overall capitalization rate Market rental rates Expense ratio Occupancy rate Sale price 	<p>6.25%</p> <p>\$1,284 per unit</p> <p>44.32%</p> <p>95%</p> <p>\$147,285 per unit</p>	<ul style="list-style-type: none"> Reduction in the capitalization rates and expense ratio will increase the investment values Increase in the market rental rate, occupancy rate and sale price per unit will increase the investment value
<p><i>Sales comparison approach:</i> The approach relies heavily upon the principle of substitution. Recent sales of similar properties are gathered and a meaningful unit of comparison is developed.</p> <p>A comparative analysis of the subject is done, involving consideration for differences in location, time, terms of sales and physical characteristics.</p>	<ul style="list-style-type: none"> Sales price of similar properties 	<p>\$147,000 to \$168,000 per unit</p>	<p>The estimated fair value would increase/(decrease) if:</p> <p>Sales prices of similar properties were higher/(lower)</p>

During the year the Company received no dividend distribution (2024: \$Nil) [see 12(d)] from the investment. The Company received a partial return of invested capital during the year of \$Nil, (2024: \$406,970) following a refinancing of the Fund's loan capital.

- (c) During 2022 the Group acquired 1,620 units at a cost of US\$1,620,000 (representing a 42% interest) in Polaris at East Point, a Delaware LLC formed to acquire a 120 unit multi-family property in Atlanta, USA. This is an equity investment from which the Group earns dividend distributions and the investment is expected to be recovered from net assets upon the Fund's termination. The investment is measured at fair value through profit and loss [see note 2(d)(ii)(3)]. The fair value measurement of the units is categorised as Level 3 and the following table shows the valuation techniques and significant unobservable inputs used.

A fair value loss of \$1,384,847 was recognized during the year (2024: \$228,207), see 12(d). The carrying value of the investment at December 31, 2025 is Nil.



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

12. Investments at fair value through profit or loss (continued)

(c) Subscription fund units (continued)

Valuation technique	Significant unobservable inputs	Range of input	Inter-relationship between key unobservable inputs and fair value measurement
<p><i>Investment approach:</i></p> <p>The valuation model examines the price an investor would be prepared to pay for the right to receive a certain income stream.</p> <p>The model considers the present value of net equity cash flows to be generated from the property, taking into account expected rental growth rate, and current rental rates. The estimated net cash flows are discounted using current yields. Among other factors, the yield estimation considers the quality of a building and its location, tenants' credit quality and lease terms.</p>	<ul style="list-style-type: none"> Overall capitalization rate Discount rate Term Terminal capitalisation rate Growth rate 	<p>5.61%</p> <p>8.68% -14.59%</p> <p>Up to 5 years</p> <p>5.50%</p> <p>1.00%</p>	<ul style="list-style-type: none"> Reduction in the capitalization rates and discount rate will increase the investment values Increase in the growth rate will increase the investment value

(d) The following shows movement in fair value of investments:

	Group	
	<u>2025</u>	<u>2024</u>
Balance at January 1	4,443,626	4,864,683
Capital distribution [see (b)]	-	(406,970)
Net fair value movement during the year [see 14(iv)]:		
CGI funds [see (a)]	(600,000)	(400,000)
Polaris [see (b)]	(951,834)	614,120
Polaris East [see (c)]	(1,384,847)	(228,207)
	(2,936,681)	(14,087)
Balance at December 31	<u>\$1,506,945</u>	<u>4,443,626</u>

The Group recognised fair value losses during the year on certain underlying investments:

- A fair value loss of \$1,384,847 was recognised on the Polaris at East Point investment following the loss of the underlying security in a foreclosure event.
- A fair value loss of \$600,000 was recognised in respect of the CGI Fund I investment, which lost substantially all its assets to foreclosure, with only the Nexus portfolio realised during the year.
- A fair value loss of \$951,834 was recognised on the subsidiary's remaining principal investment, Polaris at Camp Creek. Considering recent operating performance and prevailing market conditions, management determined that the recoverable amount of the asset, based on expected proceeds in a short marketing period, was lower than the carrying value.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

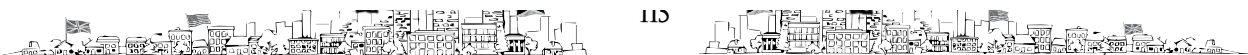
Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
13. Furniture, software and equipment

	Group			Company		
	Office furniture & equipment	Computer software	Total	Office furniture & equipment	Computer software	Total
Cost						
December 31, 2023	184,886	22,337	207,223	130,521	19,137	149,658
Additions	11,535	-	11,535	11,535	-	11,535
Disposals	(46,051)	-	(46,051)	-	-	-
December 31, 2024	150,370	22,337	172,707	142,056	19,137	161,193
Additions	9,383	-	9,383	9,383	-	9,383
Disposals	(8,149)	-	(8,149)	-	-	-
December 31, 2025	<u>151,604</u>	<u>22,337</u>	<u>173,941</u>	<u>151,439</u>	<u>19,137</u>	<u>170,576</u>
Depreciation						
December 31, 2023	93,616	18,039	111,655	77,080	14,839	91,919
Charge for year	19,496	4,077	23,573	15,498	4,077	19,575
Eliminated on disposals	(16,012)	-	(16,012)	-	-	-
December 31, 2024	97,100	22,116	119,216	92,578	18,916	111,494
Charge for year	15,019	81	15,100	15,019	81	15,100
Eliminated on disposals	(4,357)	-	(4,357)	-	-	-
December 31, 2025	<u>107,762</u>	<u>22,197</u>	<u>129,959</u>	<u>107,597</u>	<u>18,997</u>	<u>126,594</u>
Net book value						
December 31, 2025	<u>\$43,842</u>	<u>140</u>	<u>43,982</u>	<u>43,842</u>	<u>140</u>	<u>43,982</u>
December 31, 2024	<u>\$53,270</u>	<u>221</u>	<u>53,491</u>	<u>49,478</u>	<u>221</u>	<u>49,699</u>

14. Investment in subsidiaries

	Company	
	2025	2024
Kingston Properties Miami LLC [see (i) below]	3,102,985	3,102,985
KP (Reit) Jamaica Limited [see (ii) below]	3,616,142	3,616,142
KPREIT (St. Lucia) Limited [see (iii) below]	<u>17,854,077</u>	<u>14,188,827</u>
Less impairment loss [see (iv) below]	(1,153,736)	-
	<u>\$23,419,468</u>	<u>20,907,954</u>

- (i) Kingston Properties Miami LLC has no share capital; the parent's sole ownership and control is by virtue of the intermediate parent, KPREIT (St Lucia) Limited being its sole member.
- (ii) KP (Reit) Jamaica Limited was formed in 2018; this represents the amount paid for shares in KP (Reit) Jamaica Limited.
- (iii) This represents the value of the Company's 100% interest in its wholly owned subsidiary KPREIT (St Lucia) Limited. During the year the Company contributed an additional amount of \$3,665,250 to invested capital. The purpose of these amounts was to invest in long-term assets. During the prior year the Company established KP (UK) Limited in London, England for the main purpose of holding investment assets in that region. KP (UK) Limited is a 100% subsidiary of KPREIT (Cayman) Limited.



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

14. Investment in subsidiaries (continued)

- (iv) During the year, as a result of the issues discussed in relation to valuation of the underlying investments held by the subsidiary, Kingston Properties Miami LLC (note 12), the Company performed an impairment assessment in accordance with IAS 36 – *Impairment of Assets*, as applied to investments in subsidiaries accounted for at cost in the Company’s separate financial statements (IAS 27).

In accordance with IAS 36, the recoverable amount was determined as the higher of fair value less costs of disposal and value in use. Management assessed that fair value less costs of disposal represented the most appropriate measure of recoverable amount at the reporting date, given the nature of the underlying assets and the assumption of a relatively short marketing period. The fair value was supported by recent market transactions, unobservable inputs and updated valuations at the subsidiary level.

Management considered whether a value-in-use calculation would provide a higher recoverable amount. However, such a model would require assumptions regarding stabilised occupancy levels, future rental growth and long-term operating performance that are not reflective of current market conditions. In the circumstances, management concluded that fair value less costs of disposal appropriately reflected the recoverable amount at the reporting date. See fair value disclosure at note 12.

Based on this assessment, management determined that the carrying amount of the Company’s investment exceeded its recoverable amount and recognised an impairment loss accordingly. This impairment has no impact on the Group’s consolidated financial statements, as the investment in the subsidiary is eliminated on consolidation in accordance with IFRS 10 – *Consolidated Financial Statements*.

Investment in Kingston Properties Miami LLC for the year was as follows:

Carrying amount, January 1	3,102,983
Less: Recoverable amount	(1,949,247)
Impairment loss recognised as at December 31	<u>\$1,153,736</u>

15. Related party transactions

- (a) The statement of financial position includes balances with related parties, arising in the normal course of business as follows:

	<u>Company</u>	
Owed to subsidiaries:		
KP (Reit) Jamaica Limited (i)	636,550	236,540
Kingston Properties Miami LLC (ii)	463,484	467,840
KPREIT (Cayman) Limited (iii)	<u>246,626</u>	<u>418,339</u>
	<u>\$1,346,660</u>	<u>1,122,719</u>

- (i) This represents rental income collected by the Company on behalf of KP (Reit) Jamaica Limited, net of reimbursable expenses.
- (ii) This represents amounts advanced by Kingston Properties Miami LLC to the Company for operating expenses.
- (iii) This represents short-term cash advances to the Company by KPREIT (Cayman) Limited for operating expenses.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
15. Related party transactions (continued)

- (b) The statement of profit or loss and other comprehensive income includes expenditures and income incurred with related parties arising in the normal course of business as follows:

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
Legal fees and other expenses (See note below)	5,011	92,492	4,297	66,350
Directors' fees (note 6)	95,262	99,990	47,616	49,995
Dividend income	-	-	-	1,693,095

The Group used the legal services of one of its directors in relation to the reviewing of contracts, corporate administrative services and on acquisition of certain investments. Acquisition related services have been capitalized under the cost of the respective investment property.

- (c) All related party balances are unsecured, interest free with no fixed repayment date. The balances may be settled by cash from operations or disposal of assets.

16. Receivables

	Group		Company	
	2025	2024	2025	2024
Rent receivable	383,565	535,640	19,910	396,223
Impairment loss allowance [note 24(a)]	(3,331)	(53,331)	(2,992)	(52,992)
Net rent receivable	380,234	482,309	16,918	343,231
Withholding tax recoverable	68,111	68,331	67,276	67,170
Security deposits	11,476	2,067	11,476	1,161
Prepayments	144,961	38,299	111,653	7,330
Other receivables (i)	<u>586,363</u>	<u>274,183</u>	<u>216,560</u>	<u>153,084</u>
	<u>\$1,191,145</u>	<u>865,189</u>	<u>423,883</u>	<u>571,976</u>

- (i) Other receivables comprise of reimbursable property expenses recoverable from Common Area Maintenance accounts, refundable deposit, interest receivables and staff advances. Allowance for ECL was not recognised as the computed ECL was considered immaterial at the reporting date.

The movement in the allowance for ECL during the year is as follows:

	Group		Company	
	2025	2024	2025	2024
Balance at January 1	53,331	134,413	52,992	134,074
Write offs	(217,523)	(382,603)	(185,068)	(382,603)
Net remeasurement of allowance for ECL	<u>167,523</u>	<u>301,521</u>	<u>135,068</u>	<u>301,521</u>
Balance at December 31	<u>\$ 3,331</u>	<u>53,331</u>	<u>2,992</u>	<u>52,992</u>

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

*(Expressed in United States Dollars unless otherwise stated)*17. Cash and cash equivalents

	Group		Company	
	2025	2024	2025	2024
Current accounts	1,232,591	1,801,800	450,524	545,737
Reverse repurchase agreements (a)	2,455	3,225,542	2,455	1,625,563
	1,235,046	5,027,342	452,979	2,171,300
Less: Restricted cash (b)	(433,459)	(433,459)	-	-
	\$ 801,587	4,593,883	452,979	2,171,300

(a) As at December 31, 2025 and 2024 the fair value of the underlying reverse repurchase agreements approximated the carrying values. These are short term investments with maturity periods of 1 to 3 months and earn fixed interest between 4% to 6% per annum.

(b) Restricted cash represents funds being held in reserve under conditions of the loan agreements with CIBC Caribbean Bank (Cayman) Limited (note 19). The funds earn fixed interest of 2.75% per annum.

18. Share capital and reserves

(a) Share capital

Authorised capital:

2,000,000,000 (2024: 2,000,000,000) ordinary stock units of no-par value.

	2025	2024
Issued and fully paid:		
884,000,000 (2024: 884,000,000)	\$34,903,346	34,903,346

Holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company and rank equally with regard to the Company's residual assets.

(b) Currency translation reserve

The Group and the Company changed its functional currency effective from December 31, 2019. This represents exchange differences based on the transition.

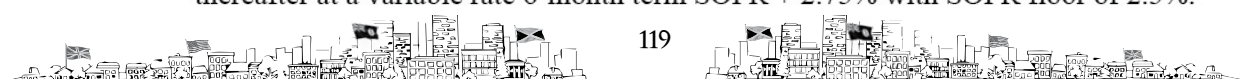
Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
19. Loans payable

	Number of years	Interest rate (%)	Group		Company	
			2025	2024	2025	2024
FirstCaribbean International Bank (Jamaica) Limited (FCIB) J\$371m	7	5.75	-	1,868,413	-	1,868,413
FirstCaribbean International Bank (Jamaica) Limited (FCIB) US\$3m	7	5.75	-	2,210,020	-	2,210,020
FirstCaribbean International Bank (Jamaica) Limited (FCIB) US\$4.615m	7	5.75	-	3,680,075	-	3,680,075
FirstCaribbean International Bank (Jamaica) Limited (FCIB) US\$5m	7	5.75	-	4,812,115	-	4,812,115
CIBC Caribbean Bank (Jamaica) Limited consolidated loan US\$11m (i)(b)	7	6.00	11,315,142	-	11,315,142	-
CIBC Caribbean Bank (Jamaica) Limited US\$1m (i)(c)	1	5.50	994,188	950,144	994,188	950,144
CIBC Caribbean Bank (Jamaica) Limited US\$3.56m (d)	12	5.75	1,168,917	-	1,168,917	-
CIBC Caribbean Bank (Jamaica) Limited US\$5.85m (e)	7	5.75	<u>3,665,250</u>	<u>-</u>	<u>3,665,250</u>	<u>-</u>
Total CIBC Caribbean Bank (Jamaica) Limited (i)			<u>17,143,497</u>	<u>13,520,767</u>	<u>17,143,497</u>	<u>13,520,767</u>
CIBC Caribbean Bank (Cayman) Limited US\$21m (ii)	7	5.50	<u>19,686,303</u>	<u>20,141,060</u>	<u>-</u>	<u>-</u>
Total loans at the end of the year			36,829,800	33,661,827	17,143,497	13,520,767
Less current portion			<u>(2,501,354)</u>	<u>(2,764,887)</u>	<u>(1,975,184)</u>	<u>(2,171,546)</u>
Non-current portion			<u>\$34,328,446</u>	<u>30,896,940</u>	<u>15,168,313</u>	<u>11,349,221</u>

- (i) (a) The FCIB loans were payable by Kingston Properties Limited and had a fixed interest rate for 2 years and variable rates thereafter. The loans were used to acquire investment properties in Jamaica as well as property renovations and are secured by legal mortgages over the properties.
- (b) On December 30, 2025, CIBC Caribbean Bank (Jamaica) Limited (“the Bank”) consolidated all the FCIB loans and extended the maturity period of the consolidated facility to December 30, 2032. The facility is amortized over 120 months with bullet payment on maturity. The loans are at fixed rate of interest for 1 year and variable thereafter at 6-month Secured Overnight Financing Rate (SOFR) + 2.75%, subject to SOFR floor of 2.5%.
- (c) This is a 13-month facility used to fund the Company’s UK subsidiary. The loan is at a fixed rate and repayable March 25, 2026.
- (d) This facility is for \$3.56m and is being used to fund construction of the Rousseau Road warehouse complex. The loan is being disbursed based on the completion stages and is serviced on interest only basis until the construction is completed. Interest is charged at a fixed rate for 18 months and thereafter at 6-month SOFR + 2% with a SOFR floor of 3.5%.
- (e) The facility totals \$5.85 million for asset acquisitions, of which \$3.66 million had been disbursed as at the reporting date to fund the acquisition of Lakeview East in the United Kingdom. The loan is repayable by the Company over 84 instalments, with a 12-month moratorium on principal; interest is charged at a fixed rate for the first two years and thereafter at a variable rate 6-month term SOFR + 2.75% with SOFR floor of 2.5%.



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

19. Loans payable (continued)

(i) (Continued)

(e) (Continued)

These loans are repayable by the Company and are secured by first mortgage over the properties located in Jamaica at 36-38 Red Hills Road, 52-60 Grenada Crescent, 591 Spanish Town Road, 232A Spanish Town Road, 6 & 8-1 Duke Street with parking lot at East Street and Johns Lane, and 11 Rousseau Road.

(ii) The loan is repayable by KPREIT (Cayman) Limited at a fixed interest rate for 2 years and variable rate thereafter. The loan was used to repay facilities previously held with RBC bank in Cayman and to acquire commercial properties in the United Kingdom through its subsidiary KPRE (UK) Limited. The loan is secured by a debenture over the properties of KPREIT (Cayman) Limited located at Harbour Cente, Rosedale, Grand Harbour and Gumtree 5.

(iii) Transaction costs amounting to \$1,045,316 (2024: \$1,150,253) were deducted from the related loan balances and are being amortised over the lives of the loans using the effective interest method.

(iv) Negative covenants and financial covenants have been issued by the lending institutions with respect to the loan facilities. As at December 31, 2025 the Group was not in breach of any of the loan covenants. These relate to all properties except for the United Kingdom properties [see note 11(a)]. Negative covenants include restriction of debt, restrictions of liens, no changes of ownership/control, restriction of distributions/loans, no change of business and organisation, no disposition of property and assets, most favoured nations clause and cross default clause.

Financial covenants states that the Group and Company should ensure that the debt service ratio on a rolling 12 month basis is not at any time less than 1:25, debt equity ratio does not exceed 4.0, interest coverage ratio is not less than 1.5 and loan to value is not at any time exceed 65%.

(v) Reconciliation of movements of liabilities to cashflow arising from financing activities:

	<u>Group</u>		<u>Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Balance at January 1	33,661,827	22,205,605	13,520,767	8,707,190
Cash flows - proceeds	5,834,167	26,053,178	5,834,167	5,912,118
Cashflows - repaid	(2,865,280)	(14,665,511)	(2,287,818)	(1,148,126)
Commitment fees (note 7)	<u>199,086</u>	<u>68,555</u>	<u>76,381</u>	<u>49,585</u>
Balance at December 31	<u>\$36,829,800</u>	<u>33,661,827</u>	<u>17,143,497</u>	<u>13,520,767</u>

20. Accounts payable and accrued charges

	<u>Group</u>		<u>Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Accounts payable	222,199	145,484	108,139	58,351
Accounting and audit fees	145,951	82,769	62,985	46,093
Withholding tax - dividends	155,926	176,198	155,926	176,198
Other payables and accrued charges	478,358	259,307	359,537	161,501
Tenant deposits and prepaid rents	<u>850,605</u>	<u>319,809</u>	<u>193,627</u>	<u>202,174</u>
	<u>\$1,853,039</u>	<u>983,567</u>	<u>880,214</u>	<u>644,317</u>

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
19. Loans payable (continued)

(i) (Continued)

(e) (Continued)

These loans are repayable by the Company and are secured by first mortgage over the properties located in Jamaica at 36-38 Red Hills Road, 52-60 Grenada Crescent, 591 Spanish Town Road, 232A Spanish Town Road, 6 & 8-1 Duke Street with parking lot at East Street and Johns Lane, and 11 Rousseau Road.

(ii) The loan is repayable by KPREIT (Cayman) Limited at a fixed interest rate for 2 years and variable rate thereafter. The loan was used to repay facilities previously held with RBC bank in Cayman and to acquire commercial properties in the United Kingdom through its subsidiary KPRE (UK) Limited. The loan is secured by a debenture over the properties of KPREIT (Cayman) Limited located at Harbour Cente, Rosedale, Grand Harbour and Gumtree 5.

(iii) Transaction costs amounting to \$1,045,316 (2024: \$1,150,253) were deducted from the related loan balances and are being amortised over the lives of the loans using the effective interest method.

(iv) Negative covenants and financial covenants have been issued by the lending institutions with respect to the loan facilities. As at December 31, 2025 the Group was not in breach of any of the loan covenants. These relate to all properties except for the United Kingdom properties [see note 11(a)]. Negative covenants include restriction of debt, restrictions of liens, no changes of ownership/control, restriction of distributions/loans, no change of business and organisation, no disposition of property and assets, most favoured nations clause and cross default clause.

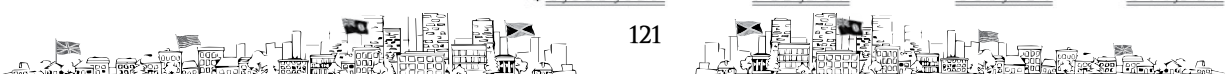
Financial covenants states that the Group and Company should ensure that the debt service ratio on a rolling 12 month basis is not at any time less than 1:25, debt equity ratio does not exceed 4.0, interest coverage ratio is not less than 1.5 and loan to value is not at any time exceed 65%.

(v) Reconciliation of movements of liabilities to cashflow arising from financing activities:

	<u>Group</u>		<u>Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Balance at January 1	33,661,827	22,205,605	13,520,767	8,707,190
Cash flows - proceeds	5,834,167	26,053,178	5,834,167	5,912,118
Cashflows - repaid	(2,865,280)	(14,665,511)	(2,287,818)	(1,148,126)
Commitment fees (note 7)	199,086	68,555	76,381	49,585
Balance at December 31	<u>\$36,829,800</u>	<u>33,661,827</u>	<u>17,143,497</u>	<u>13,520,767</u>

20. Accounts payable and accrued charges

	<u>Group</u>		<u>Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Accounts payable	222,199	145,484	108,139	58,351
Accounting and audit fees	145,951	82,769	62,985	46,093
Withholding tax - dividends	155,926	176,198	155,926	176,198
Other payables and accrued charges	478,358	259,307	359,537	161,501
Tenant deposits and prepaid rents	<u>850,605</u>	<u>319,809</u>	<u>193,627</u>	<u>202,174</u>
	<u>\$1,853,039</u>	<u>983,567</u>	<u>880,214</u>	<u>644,317</u>



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

21. Dividends

The Company paid a dividend of \$0.000566 (2024: \$0.000566) per share unit on August 25, 2025, as the first interim dividend for 2025 and a second interim dividend of \$Nil (2024: \$0.001058) per unit.

22. Other (expenses)/income

This consists of one-off landlord costs incurred due to vacancies at some properties, net of insurance proceeds.

23. Segment reporting

The Group has four operating segments, which manage investment properties on a geographic portfolio basis. For the purposes of IFRS 8, the Board of Directors is the Chief Operating Decision Maker and reviews internal management reports on a bi-monthly basis to assess performance and allocate resources. Segment performance is measured based on segment profit before income tax, as presented in the internal management reports reviewed by the Board. Segment information is used to evaluate performance because management believes it is the most relevant basis for assessing the results of each segment and comparing them with other entities operating in similar industries. Information regarding the reportable segments is as follows:

	2025					
	Jamaica \$	United States of America \$	Cayman Islands \$	United Kingdom \$	Elimination \$	Group \$
External revenue	2,872,810	-	2,504,141	670,812	-	6,047,763
Management fee	145,665	-	197,744	160,941	(197,744)	306,606
Operating expenses	(1,846,466)	(80,178)	(310,606)	(53,734)	-	(2,290,984)
Results of operating activities before other income	1,172,009	(80,178)	2,391,279	778,019	(197,744)	4,063,385
Other income/expenses:						
Fair value gain on reevaluation of investment property	3,165,498	-	2,029,427	-	-	5,194,925
	4,337,507	(80,178)	4,420,706	778,019	-	9,258,310
Gain on disposal of investment property	-	-	114,341	-	-	114,341
Loss on revaluation of investment	-	(2,936,681)	-	-	-	(2,936,681)
Fee and other income	12,568	9,045	(36,923)	(197,828)	197,828	(15,310)
Impairment loss on financial assets	(135,068)	-	(32,455)	-	-	(167,523)
Impairment loss on investment in subsidiary	(1,153,736)	-	-	-	1,153,736	-
Interest income	5,578	-	508,265	2,011	(495,952)	19,902
Interest expense and commitment fees	(999,741)	-	(1,277,165)	(495,952)	495,952	(2,276,906)
Net loss on translation of foreign currency balances	9,352	-	140,242	(1,403)	-	148,191
Profit before tax	2,076,460	(3,007,814)	3,837,011	84,847	1,351,564	4,144,324
Income tax charge	(37,001)	108,473	-	(53,670)	-	17,802
Profit after tax	2,039,459	(2,899,341)	3,837,011	31,177	1,351,564	4,162,126
Non-current assets	58,023,227	1,506,946	50,906,956	13,969,001	(37,241,828)	87,164,302
Current assets	6,695,250	10,544	697,435	559,637	(891,616)	7,071,250
Total assets	64,718,477	1,517,490	51,604,391	14,528,638	(38,133,444)	94,235,552
Non-current liabilities	15,168,313	-	19,160,133	13,822,359	(13,822,359)	34,328,446
Current liabilities	4,315,838	3,614,540	764,412	646,407	(4,908,828)	4,432,369
Total liabilities	19,484,151	3,614,540	19,924,545	14,468,766	(18,731,187)	38,760,815
Other segment items:						
Capital expenditure	1,548,600	-	79,984	8,694,437	-	10,323,021
Depreciation	15,100	-	-	-	-	15,100

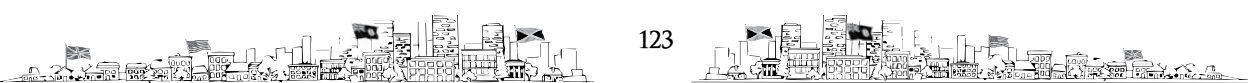
Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
23. Segment reporting (continued)

	2024					
	Jamaica \$	United States of America \$	Cayman Islands \$	United Kingdom \$	Elimination \$	Group \$
External revenue	2,336,409	-	2,360,647	20,336	-	4,717,392
Management fee	115,730	-	-	11,033	-	126,763
Operating expenses	(1,646,950)	(20,146)	(402,261)	(2,797)	-	(2,072,154)
Results of operating activities before other income	805,189	(20,146)	1,958,386	28,572	-	2,772,001
Other income/expenses:						
Fair value gain on revaluation of investment property	3,047,418	-	-	-	-	3,047,418
	3,852,607	(20,146)	1,958,386	28,572	-	5,819,419
Dividend income	1,693,095	-	-	-	(1,693,095)	-
Gain on disposal of investment property	-	-	1,531,577	-	-	1,531,577
Loss on revaluation of investment	-	(14,087)	-	-	-	(14,087)
Fee and other income	28,295	-	(228,366)	-	-	(200,071)
Impairment loss on financial assets	(301,521)	-	-	-	-	(301,521)
Interest income	90,218	-	6,700	-	-	96,918
Interest expense and commitment fees	(771,566)	-	(751,445)	-	-	(1,523,011)
Net loss on translation of foreign currency balances	24,222	-	(33,693)	-	-	(9,471)
Profit before tax	4,615,350	(34,233)	2,483,159	28,572	(1,693,095)	5,399,753
Income tax charge	(25,570)	-	-	-	-	(25,570)
Profit after tax	4,589,780	(34,233)	2,483,159	28,572	(1,693,095)	5,374,183
Non-current assets	55,856,320	4,443,626	35,987,318	5,275,729	(20,907,954)	80,655,039
Current assets	3,210,993	51,576	8,598,335	45,863	(5,966,000)	5,940,767
Total assets	59,067,313	4,495,202	44,585,653	5,321,592	(26,873,954)	86,595,806
Non-current liabilities	11,349,221	108,473	19,547,719	-	-	31,005,413
Current liabilities	4,022,877	3,584,441	860,437	5,292,895	(9,983,214)	3,777,436
Total liabilities	15,372,098	3,692,914	20,408,156	5,292,895	(9,983,214)	34,782,849
Other segment items:						
Capital expenditure	6,485,408	-	5,100,737	5,275,730	-	16,861,875
Depreciation	19,575	-	3,998	-	-	23,573

During the year, revenue from two (2024: two) Jamaica customers of the Group represented approximately \$1,059,665 or 18% (2024: \$900,737 or 19%) of the Group's total revenue. Of the amount during the year, \$425,774 and \$633,891 (2024: \$498,341 and \$402,396, respectively) was attributable to each customer, respectively.



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

*(Expressed in United States Dollars unless otherwise stated)*24. Financial instruments and financial risk management

The Group has exposure to credit, liquidity, and market risks, which arise in the ordinary course of its business. This note presents information about the Group's exposure to each of the above-listed risks and the Group's objectives, policies and processes for measuring and managing risk.

The risk management policies are established and implemented by the directors to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered.

No derivative instruments are presently used by the Group to mitigate, manage or eliminate exposure to financial instrument risks.

(a) Credit risk

Credit risk is the risk of a financial loss arising from a counter party to a financial contract failing to discharge its obligations. The Group manages this risk by establishing policies for granting credit and entering into financial contracts. The Group's credit risk is concentrated, primarily in cash and cash equivalents, receivables and reverse repurchased agreements. There were no significant concentrations of credit risk and the maximum exposure to credit risk is represented by the carrying amount of each financial assets on the statement of financial position.

Exposure to credit risks

The maximum credit exposure, the total amount of loss that the Group would suffer if every counterparty to its financial assets were to default at once, is represented by the carrying amount of the financial assets shown on the statement of financial position at the reporting date, as there is no off-balance-sheet exposure to credit risk.

- (i) Cash and cash equivalents are held using short-tenor instruments with financial institutions that are appropriately licensed and regulated and have a high credit rating, therefore, management believes that exposure to credit risk is minimal. Also, collateral is not required for such accounts, as management regards the institutions as strong.
- (ii) The Group's exposure to credit risk arising from receivables is managed through regular analysis of the ability of the customers and potential customers to meet repayment obligations.

The Investment and Risk Committee has a credit policy under which new lessee is analysed individually for credit worthiness before the lease contract is agreed. Property management for the commercial portfolio involves the use of a referral system to do background checks on prospective tenants along with various tools including the presentation of financials, certificates of good standing, and identification of principals involved in the companies. Additionally, management employs several risk mitigating strategies including diversification of tenants, limiting the exposure to individual tenants, holding appropriate level of security deposits commensurate with the tenant risk, and rigorous collection protocol which identifies changes in customer risk at an early stage.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
24. Financial instruments and financial risk management (continued)
(a) Credit risk (continued)
Exposure to credit risks (continued)

- (iii) Reverse repurchase agreements expose the Group to credit losses as there is a risk that the counterparty will fail to fulfill its contractual obligations. These are held with financial institutions that are appropriately licensed and regulated and have a high credit rating, therefore, management believes that exposure to credit risk is minimal. The Group manages this risk by contracting only with counterparties that management considers to be financially sound.

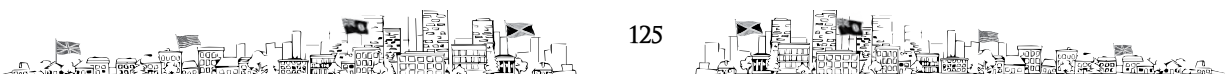
Expected credit loss assessment
Rent receivables:

The Group uses a provision matrix to measure ECLs of rent receivables. The provision matrix is based on its historical observed default rates over the expected life of the rent receivables and is adjusted for forward looking estimates, determined by a probability weighted approach.

Loss rates are calculated based on the probability of a receivable balance progressing through successive stages of delinquency to write-off, the economic conditions over the expected lives of the receivables and other macro-economic factors such as foreign currency exchange rates, interest rates and Gross Domestic Product (GDP).

The following table provides information about the exposure to credit risk and ECLs for rent receivable as at December 31.

	2025			
	Group			
	<u>Weighted average loss rate</u>	<u>Gross carrying amount</u> \$	<u>Loss allowance</u> \$	<u>Credit impaired</u>
Current (not past due)	0.00%	371,108	-	No
31-60 days past due	12.21%	8,239	1,006	No
More than 60 days past due	55.12%	<u>4,218</u>	<u>2,325</u>	Yes
(see note 16)		<u>383,565</u>	<u>3,331</u>	
	2024			
	Group			
	<u>Weighted average loss rate</u>	<u>Gross carrying amount</u> \$	<u>Loss allowance</u> \$	<u>Credit impaired</u>
Current (not past due)	0.00%	150,769	-	No
31-60 days past due	0.00%	102,572	-	No
More than 60 days past due	18.89%	<u>282,299</u>	<u>53,331</u>	Yes
(see note 16)		<u>535,640</u>	<u>53,331</u>	



Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

24. Financial instruments and financial risk management (continued)

(a) Credit risk (continued)

Expected credit loss assessment (continued)

Rent receivables (continued):

	<u>Company</u>			
	<u>2025</u>			
	<u>Weighted</u> <u>average</u> <u>loss rate</u>	<u>Gross</u> <u>carrying</u> <u>amount</u> \$	<u>Loss</u> <u>allowance</u> \$	<u>Credit</u> <u>impaired</u>
Current (not past due)	0.00%	10,975	-	No
31-60 days past due	14.48%	6,949	1,006	No
More than 60 days past due	100%	<u>1,986</u>	<u>1,986</u>	Yes
(see note 16)		<u>19,910</u>	<u>2,992</u>	

	<u>Company</u>			
	<u>2024</u>			
	<u>Weighted</u> <u>average</u> <u>loss rate</u>	<u>Gross</u> <u>carrying</u> <u>amount</u> \$	<u>Loss</u> <u>allowance</u> \$	<u>Credit</u> <u>impaired</u>
Current (not past due)	0.00%	52,056	-	No
31-60 days past due	0.00%	67,126	-	No
More than 60 days past due	19.13%	<u>277,041</u>	<u>52,992</u>	Yes
(see note 16)		<u>396,223</u>	<u>52,992</u>	

Cash and cash equivalents and reverse repurchase agreements:

Risks relating to cash and bank balances and reverse repurchase agreements are limited because the counterparties are banks and financial institutions with high credit rating. Accordingly, management does not expect any counterparty to fail to meet its obligations.

Impairment on cash and cash equivalents and reverse repurchased agreements has been measured at 12-month expected loss basis and reflects the short maturities of the exposures. The Group considered that cash and reverse agreements have low credit risk.

Allowance for ECL was not recognised as the computed ECL was considered immaterial at the reporting date.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
24. Financial instruments and financial risk management (continued)
(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Borrowings represent the principal source of liquidity risk and are concentrated to one primary banking counterparty, CIBC Caribbean Limited. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. Prudent liquidity risk management requires the Group to maintain sufficient cash and marketable securities, monitor future cash flows and liquidity on a daily basis and have funding available through an adequate amount of committed facilities. Additionally, liquidity risk is mitigated through active monitoring of debt covenant compliance, ensuring sufficient headroom is always maintained. The Group also maintains a conservative capital structure, targeting prudent debt-to-equity and loan-to-value (LTV) levels to preserve borrowing capacity and reduce refinancing risk. There were no significant concentrations of liquidity risk and the maximum exposure to liquidity risk is represented by the carrying amount of each financial liabilities on the statement of financial position.

The following table presents the contractual maturities of financial liabilities, including interest payments, on the basis of their earliest possible contractual maturity.

	<u>Group</u>				
	<u>2025</u>				
	<u>Carrying value</u>	<u>Contractual cash flows</u>	<u>Within 3 months</u>	<u>3 to 12 months</u>	<u>Over 12 months</u>
Loans payable	36,829,800	51,594,505	1,756,496	2,668,367	47,169,642
Accounts payable and accrued charges	<u>1,853,039</u>	<u>1,853,039</u>	<u>1,853,039</u>	-	-
	<u>\$38,682,839</u>	<u>53,447,544</u>	<u>3,609,535</u>	<u>2,668,367</u>	<u>47,169,642</u>
	<u>Group</u>				
	<u>2024</u>				
	<u>Carrying value</u>	<u>Contractual cash flows</u>	<u>Within 3 months</u>	<u>3 to 12 months</u>	<u>Over 12 months</u>
Loans payable	33,661,827	52,674,938	934,165	3,767,696	47,973,077
Accounts payable and accrued charges	<u>983,567</u>	<u>983,567</u>	<u>983,567</u>	-	-
	<u>\$34,645,394</u>	<u>53,658,505</u>	<u>1,917,732</u>	<u>3,767,696</u>	<u>47,973,077</u>
	<u>Company</u>				
	<u>2025</u>				
	<u>Carrying value</u>	<u>Contractual cash flows</u>	<u>Within 3 months</u>	<u>3 to 12 months</u>	<u>Over 12 months</u>
Loans payable	17,143,497	18,658,461	1,312,096	1,367,990	15,978,375
Owed to subsidiaries	1,346,660	1,346,660	1,346,660	-	-
Accounts payable and accrued charges	<u>880,214</u>	<u>880,214</u>	<u>880,214</u>	-	-
	<u>\$19,370,371</u>	<u>20,885,335</u>	<u>3,538,970</u>	<u>1,367,990</u>	<u>15,978,375</u>

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

*(Expressed in United States Dollars unless otherwise stated)*24. Financial instruments and financial risk management (continued)

(b) Liquidity risk (continued)

	Carrying value	Contractual cash flows	2024		
			Within 3 months	3 to 12 months	Over 12 months
Loans payable	13,520,767	17,990,807	500,796	2,467,589	15,022,422
Owed to subsidiaries	1,122,719	1,122,719	1,122,719	-	-
Accounts payable and accrued charges	<u>644,317</u>	<u>644,317</u>	<u>644,317</u>	<u>-</u>	<u>-</u>
	<u>\$15,287,803</u>	<u>19,757,843</u>	<u>2,267,832</u>	<u>2,467,589</u>	<u>15,022,422</u>

The Group is not subject to any externally imposed liquidity requirements and there has been no change in the Group's exposure to liquidity risk or the manner in which it measures and manages risk.

(c) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to individual security or its issuer, or factors affecting all securities traded in the market. There were no significant concentrations of market risk and the maximum exposure to market risk is represented by the carrying amount of each financial assets and liabilities on the statement of financial position.

Such risks arise from open positions in interest rates, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices, such as foreign exchange and interest rates. The elements of market risk that affect the Group are as follows:

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value of, or the cash flows from, financial instruments will vary because of exchange rate fluctuations. The Group is exposed to foreign currency risk on transactions that it undertakes in foreign currencies. The main foreign currency giving rise to this risk is the Jamaican dollar (JMD). The Group ensures that the risk is kept to an acceptable level by matching Jamaican currency assets with Jamaican currency liabilities, to the extent practicable.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
24. Financial instruments and financial risk management (continued)
(c) Market risk (continued)
(i) Foreign currency risk (continued)

The exposure to foreign currency risk from balance denominated in Jamaica dollar and Great Britain Pounds at the reporting date was as follows:

	Group					
	<u>2025</u> GBP	<u>2025</u> JMD	<u>2025</u> Total	<u>2024</u> GBP	<u>2024</u> JMD	<u>2024</u> Total
Foreign currency assets:						
Cash	70,644	243,684	314,328	21,841	251,148	272,989
Receivables	-	318,945	318,945	506,710	278,380	278,380
Reverse repurchased agreements	<u>2,455</u>	<u>-</u>	<u>2,455</u>	<u>-</u>	<u>-</u>	<u>506,710</u>
Total financial assets	<u>73,099</u>	<u>562,629</u>	<u>635,728</u>	<u>528,551</u>	<u>529,528</u>	<u>1,058,079</u>
Foreign currency liabilities:						
Loans	-	(1,674,623)	(1,674,623)	-	(1,887,559)	(1,887,559)
Payables and accrued charges	<u>-</u>	<u>(381,435)</u>	<u>(381,435)</u>	<u>-</u>	<u>(163,601)</u>	<u>(163,601)</u>
Total financial liabilities	<u>-</u>	<u>(2,056,058)</u>	<u>(2,056,058)</u>	<u>-</u>	<u>(2,051,160)</u>	<u>(2,051,160)</u>
Net foreign currency assets/(liabilities)	<u>\$73,099</u>	<u>(1,493,429)</u>	<u>(1,420,330)</u>	<u>528,051</u>	<u>(1,521,632)</u>	<u>(993,081)</u>
	Company					
	<u>2025</u> GBP	<u>2025</u> JMD	<u>2025</u> Total	<u>2024</u> GBP	<u>2024</u> JMD	<u>2024</u> Total
Foreign currency assets:						
Cash	735	178,797	179,532	17,379	137,133	154,512
Receivables	-	306,270	306,270	506,710	197,007	703,717
Reverse repurchased agreements	<u>2,455</u>	<u>-</u>	<u>2,455</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total financial assets	<u>3,190</u>	<u>485,067</u>	<u>488,257</u>	<u>524,089</u>	<u>334,140</u>	<u>858,229</u>
Foreign currency liabilities:						
Loans	-	(1,674,623)	(1,674,623)	-	(1,887,559)	(1,887,559)
Payables and accrued charges	<u>-</u>	<u>(324,349)</u>	<u>(324,349)</u>	<u>-</u>	<u>(103,313)</u>	<u>(103,313)</u>
Total financial liabilities	<u>-</u>	<u>(1,998,972)</u>	<u>(1,998,972)</u>	<u>-</u>	<u>(1,990,872)</u>	<u>(1,990,872)</u>
Net foreign currency assets/(liabilities)	<u>\$ 3,190</u>	<u>(1,513,905)</u>	<u>(1,510,715)</u>	<u>524,089</u>	<u>(1,656,732)</u>	<u>(1,132,643)</u>

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

24. Financial instruments and financial risk management (continued)

(c) Market risk (continued)

(i) Foreign currency risk (continued)

Sensitivity to foreign exchange rate movements

A weakening or strengthening of the USD against the currencies indicated above at December 31, would have affected profit by the amounts in the table. The strengthening of the USD against the same currencies at December 31 would have had the equal but opposite effect on the amounts shown, on the basis that all other variables remain constant.

	The Group				The Company			
	2025		2024		2025		2024	
	Change in currency rate (%)	Effect on profit	Change in currency rate (%)	Effect on profit	Change in currency rate (%)	Effect on profit	Change in currency rate (%)	Effect on profit
JMD	1.5	23,382	4	58,555	1.5	23,685	4	63,843
GBP	1.5	(1,456)	4	(26,021)	1.5	(64)	4	(25,801)

	The Group				The Company			
	2025		2024		2025		2024	
	Change in currency rate (%)	Effect on profit	Change in currency rate (%)	Effect on profit	Change in currency rate (%)	Effect on profit	Change in currency rate (%)	Effect on profit
JMD	-1	(15,822)	-1	(15,224)	-1	(16,027)	-1	(16,599)
GBP	-1	985	-1	6,765	-1	43	-1	6,708

The following rates of exchange applied for US\$1 applied for the year:

	Average rate		Reporting date spot rate			
	2025	2024	2025		2024	
			Buying	Selling	Buying	Selling
Jamaica Dollar (J\$)	159.83	157.22	158.11	159.74	154.79	156.42
Great Britain Pounds (GBP)	0.76	0.79	0.73	0.74	0.79	0.81

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate or that cashflows will vary due to changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Group manages this risk by monitoring market interest rates.

Even though there is no formally predetermined gap limits, to the extent judged appropriate, the maturity profile of the Group's financial assets is matched with that of the financial liabilities. Where gaps occur, management expects that its monitoring will, on a timely basis, identify the need to take quick action to close a gap, if it becomes necessary. The Group was not subject to significant interest rate risk, at the reporting date.

Interest-bearing financial assets mainly comprise securities purchased under reverse repurchased agreements, which have been contracted at fixed interest rates for the duration of their terms. Interest-bearing financial liability comprise loans payable.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)
24. Financial instruments and financial risk management (continued)
(c) Market risk (continued)
(ii) Interest rate risk (continued)
Sensitivity to interest rate movements

The Group's exposure to interest rate risk arises from its loan payable with CIBC Caribbean Bank. All of the Group's debt at reporting date are at fixed rates for at least the next 12 months therefore any reasonable change in interest rate would not have a material impact on profit or loss.

There has been no change in the Groups' exposure to market risk or the manner in which it measures and manages risk.

Investments held at FVTPL:

The Group holds investments at fair value through profit or loss of \$1,506,946 (2024: \$4,443,626), concentrated in three unquoted investment funds (CGI Fund, Polaris at Camp Creek LLC, and Polaris at East Point Partners). These instruments expose the Group to valuation and performance risk of the underlying security in addition to counterparty/manager risk. Performance risk includes exposure to financing risk, given that the underlying properties are funded with approximately 85% debt, requiring the Funds to maintain adequate debt service capacity. The maximum exposure to loss from these investments amounts to \$1,506,946 (2024: \$4,443,626), which would arise if the net proceeds realised from the underlying security are insufficient to satisfy the associated debt obligations and return capital to equity investors. Exposure to these risks is managed by regular analysis of the Funds' performance and prudent assessment of the assets carrying values.

25. Fair value

The Group has an established control framework with respect to the measurement of fair values. This includes a Real Estate Analysis team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Audit Committee.

The Real Estate Analysis team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the valuation team assesses the evidence obtained to support the conclusion that these valuations meet the requirements of the IFRS Accounting Standards, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

The fair value of cash and cash equivalents, reverse repurchased agreements, receivables, owed by subsidiary, accounts payable and owed to subsidiary are considered to approximate their carrying values due to their relatively short-term nature.

The carrying value of non-current loan is assumed to approximate fair value, because the instruments bear interest at market-comparable rates and there has been no significant change in the Group's credit risk since initial recognition.

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

*(Expressed in United States Dollars unless otherwise stated)*25. Fair value (continued)

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. These two types of inputs have created the following fair value hierarchy:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using quoted market prices in active markets that are considered less than active or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and those inputs have a significant effect on the instrument valuation. This category includes instruments that are valued based on prices for similar instruments for which significant adjustments or assumptions are made to reflect differences between the instruments.

Accounting classification and fair values:

The Company's and the Group's investments measured at fair value are classified at Level 3 in the fair value hierarchy. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between levels during the year.

Valuation techniques used in measuring the fair value, as well as the significant unobservable inputs used are disclosed in notes 11 and 12.

26. Operating lease arrangements

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group		Company	
	2025	2024	2025	2024
Less than one year	5,503,746	5,170,691	2,034,488	1,870,871
One to five years	10,183,418	10,080,058	4,443,027	3,403,927
More than 5 years	755,654	806,596	421,658	397,849
Balance at December 31	\$16,442,818	16,057,345	6,899,173	5,672,647

Kingston Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 2025

(Expressed in United States Dollars unless otherwise stated)

27. Capital management

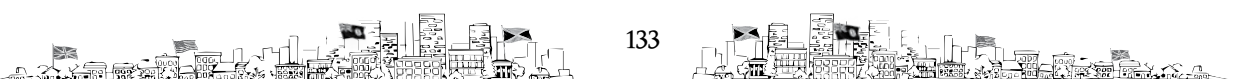
The Company's capital consists of total equity and long-term loans. The Board's policy is to maintain capital at a level which balances the need for the Group to be financially strong and be able to sustain future development of the business, with the need for dividend payments. The Board of Directors monitors the return on capital, which it defines as profit after tax divided by total stockholders' equity. The Board also seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the security afforded by a sound capital position. The Company is not subject to any externally imposed capital requirements other than the Jamaica Stock Exchange requirement to maintain positive equity.

28. Impact of Hurricane Melissa

On October 28, 2025, Jamaica was impacted by the passage of hurricane Melissa, a Category 5 hurricane, resulting in extensive damages to national infrastructure, housing stock, and disrupting business operations. The impact was more severe in western parishes, where the hurricane made landfall. In accordance with the Disaster Risk Management Act, the Prime Minister of Jamaica declared the island a disaster area effective October 28, 2025.

The Group's properties did not sustain any significant physical damage as a result of the hurricane.

Management will continue to closely monitor developments and remain committed to executing its existing strategies while pursuing new opportunities consistent with the group's risk and return objectives





**KINGSTON
PROPERTIES
LIMITED**

**SUPPLEMENTARY INFORMATION
TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2025

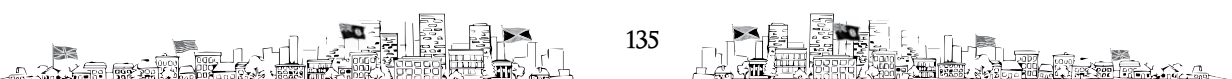


Kingston Properties Limited

OPERATING EXPENSES

Year Ended December 31, 2025
(Expressed in United States Dollars unless otherwise stated)

<u>Details</u>	<u>2025</u>	<u>2024</u>
Accounting fees	52,703	2,191
Advertising and promotion	22,458	22,476
Audit fees	121,983	102,766
Audit fees prior year under accrual	-	900
Bank charges	8,250	7,129
Broker fees	41,741	28,127
Business Licenses and Permits	17,378	4,384
Computer and internet expenses	20,910	19,970
Courier	12,881	12,611
Depreciation and amortization	15,100	23,573
Development	1,677	2,846
Directors fees	95,231	99,990
Donation	3,052	10,660
Dues and subscription	13,587	14,763
General expense	3,748	19,396
Insurance	269,222	265,959
Management fees	47,700	146,445
Meals and entertainment	6,654	11,746
Meeting expenses	9,290	3,946
Office supplies	2,748	1,912
Penalties	1,056	-
Postage and delivery	823	1,824
Printing and reproduction	6,967	10,733
Professional fees	201,462	119,185
Property taxes	15,656	13,265
Regulatory fees and charges	33,960	30,583
Repairs and maintenance	24,229	27,484
Salaries and related costs	1,102,881	957,758
Staff costs: insurance and employer pension contribution	49,653	34,935
Strata fees	62,028	48,401
Telephone & answering services	3,949	3,818
Travel and accomodation	12,943	11,961
Utilities	9,064	10,421
 Grand Total	 <u>2,290,984</u>	 <u>2,072,154</u>





KINGSTON PROPERTIES LIMITED

FORM OF PROXY



Scan here to read more

I/We _____
of _____
Being a member(s) of Kingston Properties Limited hereby appoint _____
or failing him or her _____
of _____
as my/our proxy to vote on my/our behalf at the Annual General Meeting of Kingston Properties Limited to be held at Courtleigh Hotel and Suites, 85 Knutsford Boulevard, Kingston 5 on Thursday June 11, 2026 at 10:00 a.m and at any adjournment thereof.

RESOLUTIONS

FOR AGAINST

<p>To Receive the Audited Accounts Resolution 1: "THAT the Audited Accounts for the Year Ended December 31, 2025 along with the reports of Directors and Auditors, circulated with the Notice convening the meeting, be and are hereby adopted."</p>		
<p>To Declare Final Dividend Resolution 2: "THAT the interim dividend of US\$0.000566 per share paid on August 25, 2025, be and is hereby declared as final for the year ended December 31, 2025".</p>		
<p>To Elect Directors a) The Directors retiring by rotation in accordance with Article 107 of the Company's Articles of Incorporation are Mr. Gladstone Lewars and Ms. Nicole Foga, who, being eligible for re-election offer themselves for re-election. Resolution 3: "THAT Mr. Gladstone Lewars retiring by rotation, be and is hereby re-elected." Resolution 4: "THAT Ms. Nicole Foga retiring by rotation, be and is hereby re-elected." b) Mr. Frederick Williams was appointed a Director of the Company on March 2, 2026. In accordance with Article 105 of the Company's Articles of Incorporation, his appointment expires on the date of the Annual General Meeting and being eligible, offers himself for election.</p>		
<p>Resolution 5: "THAT Mr. Frederick Williams, retiring pursuant to Article 105 of the Company's Articles of Incorporation, be and is hereby elected.</p>		
<p>"To fix Directors' Remuneration The Company is asked to approve the remuneration of the directors in accordance with Article 87 of the Company's Articles of Incorporation. Resolution 6: "THAT the remuneration payable to the Directors of the Company for the financial year ending December 31, 2026, be and is hereby approved in the manner and amounts as presented to the Company."</p>		
<p>To authorize the Directors to fix the remuneration of the Auditors Resolution 7: "THAT KPMG having signified their willingness to continue in office as Auditors, the Directors be and are hereby authorized to agree to their remuneration in respect of the period ending with the next Annual General Meeting."</p>		

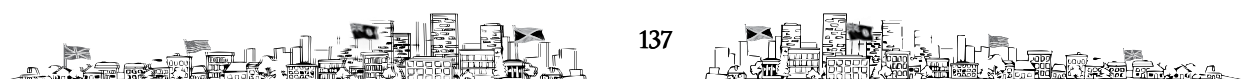
Dated this _____ day of _____ 2026

Signature _____

[J\$100 Stamp]

Signature _____

In the case of a Body corporate, this form should be executed under Seal in accordance with the company's Articles of Association. To be valid, this proxy must be signed, duly stamped and deposited with the Corporate Secretary of the Company at 7 Stanton Terrace, Kingston 6, not less than 48 hours before the time appointed for holding the meeting. A proxy need not be a member of the Company.





KINGSTON PROPERTIES LIMITED

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