



REAL ESTATE X FUND

ANNUAL REPORT 2025



About Us

Sagicor Real Estate X Fund Limited is an International Business Company incorporated in St. Lucia and is currently the largest publicly traded real estate investment company in Jamaica, listed on the Jamaica Stock Exchange ("JSE"). Sagicor Real Estate X Fund operates as a passive holding entity, with its property investments held through its subsidiaries, X Fund Properties Limited (incorporated in Jamaica) and X Fund Properties LLC (incorporated in Delaware, USA), (together referred to as "X Fund" or "the Group" or "the X Fund Group").

Current Property Holdings

The Group maintains a diversified portfolio in the North American/ Caribbean Region. In the United States, it holds direct ownership of DoubleTree by Hilton at the Entrance to Universal Orlando (DTO) in Florida, through its wholly owned subsidiary X Fund Properties LLC. In September 2024, the Group expanded its footprint with the acquisition of a block of retail units at The Strand Shopping Centre located in West Bay, Grand Cayman, through its subsidiary X Fund Properties Limited.

Additionally, X Fund holds an investment in the Sigma Real Estate Portfolio, providing exposure primarily to commercial real estate assets located across Jamaica. The Group continues to actively evaluate and pursue attractive real estate opportunities across the region, focusing on assets with good medium term growth potential in line with its mandate to enhance shareholder value.

Strategy

X Fund's investment strategy is centred on identifying and capitalising on attractive, high quality investment opportunities across targeted markets in the Caribbean, Latin America and North America. The Group prioritises jurisdictions with strong economic fundamentals, stable regulatory frameworks, sustainable demand drivers and clear prospects for long term growth.

The portfolio of assets is being strategically diversified across tourism, commercial, industrial/warehousing and retail asset classes to optimise risk-adjusted returns. X Fund remains committed to sustainable and responsible business practices, supporting long term asset viability while minimising environmental impact.

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2025

Our Mission

To build a resilient and diversified real estate portfolio that generates superior returns to our stakeholders, advances sustainability and reflects our commitment to responsible governance.

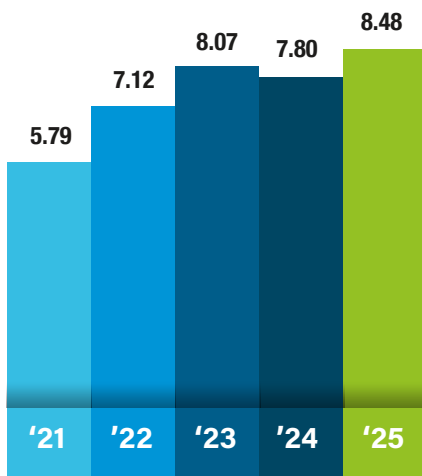
Our Vision

To be the leading real estate investment company in the Caribbean region, known for disciplined growth, sustainable profitability and the consistent delivery of long-term value for our stakeholders and the communities we serve.

5 YEAR HISTORICAL FINANCIAL HIGHLIGHTS

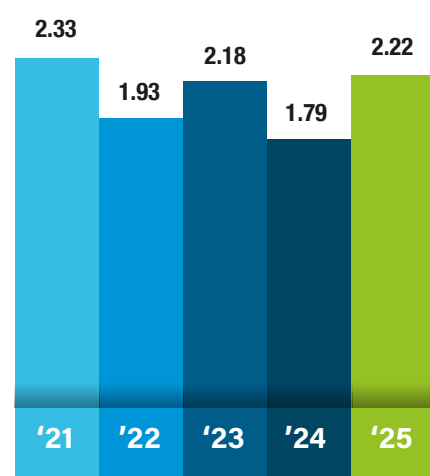
Total Revenue

J\$ BILLIONS



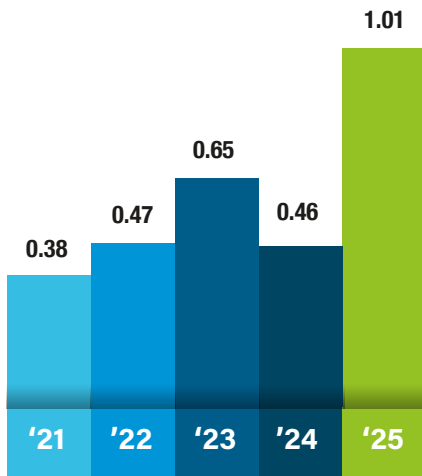
EBITDA

J\$ BILLIONS



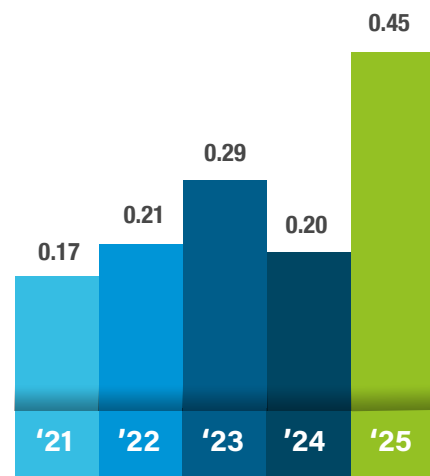
Net Profit

J\$ BILLIONS



Earnings Per Share

J\$



STATEMENT OF THE CHAIRMAN & CEO



Howard Mitchell
Chairman

On behalf of the Board of Directors and management, we present the performance and activities of the Group for the year ended December 31, 2025.

We are pleased to report that for the financial year ended December 31, 2025, X Fund delivered an exceptional performance, closing the year with a net profit attributable to stockholders of \$1.01 billion. This represents a 121% increase over net profit of J\$457 million reported in 2024, and reflects the strength of our strategy, disciplined execution and the resilience of our business.

Our results were driven primarily by improved profitability from core operations, complemented by a one-off realised gain from a fixed income redemption, unrealised capital gains and favourable foreign currency movements. Importantly, this performance was achieved while strengthening our balance sheet by rebalancing our capital structure based on a strategic decision. During the year, we significantly reduced debt associated with our largest investment, the DoubleTree by Hilton in Orlando. As a result, our debt/equity ratio moved from 46% to 27%, reflecting a more efficient capital structure, and impacted total assets, which decreased in value from \$32.2 billion to \$30.1 billion. Stockholders' equity stood at \$23.6 billion, representing an increase of 7%

from \$22.1 billion in 2024, underscoring the continued growth in underlying value.

The DoubleTree by Hilton in Orlando remains the cornerstone of the Group's earnings. Net profit from the hotel improved by 17% year over year, supported by average occupancy above 85% and a 2% increase in average daily rates. We continue to push group bookings, which deliver higher margins and generate meaningful ancillary revenue across food and beverage, events and other services. The completion of a new pavilion during the year has further enhanced our group and event capabilities, broadening the types and scale of bookings we can accommodate.

Looking ahead, the hotel will undergo a comprehensive renovation over the next two years, in keeping with the Hilton brand standards. We expect this investment to drive higher daily rates and increased bookings beginning in 2026, positioning the property for sustained growth in profitability. It is also worth noting that during 2025, Hilton renewed our franchise agreement for another 15 years.

The year under review marked the first full year of our ownership of a block of retail units at The Strand Shopping Centre, a premier retail complex located along the world-famous Seven Mile



Brenda-Lee Martin
Chief Executive Officer

For the financial year ended December 2025, X Fund delivered an exceptional performance, closing the year with a net profit attributable to stockholders of \$1.01 billion. This represents a 121% increase over net profit of J\$457 million reported in 2024.

Beach Corridor in Grand Cayman. This investment has strengthened the Group's earnings and further diversified our real estate portfolio.

In addition, we continue to hold an interest in real estate investments in Jamaica through our investment in the Sigma Real Estate Portfolio, which spans commercial, retail, tourism and warehousing assets across the island.

As we look beyond, we are confident that our disciplined capital management, strengthened balance sheet and diversified real estate platform position us to generate higher return on equity as we go forward. We strongly believe that our activities have placed us in a position of continued profitability in 2026, as we continue to reap positive returns on our investments. We remain committed to identifying and pursuing new opportunities that align with our mandate and long-term vision of increasing shareholder value for our stakeholders.

OUTLOOK

Global tourism conditions remain generally supportive. The World Travel and Tourism Council has forecast global tourism growth of approximately 2–4% in 2026, with travel and tourism spending expected to account for roughly 10% of global GDP. These

indicators underpin our confidence in the medium-term outlook for the sector, while we remain mindful of the inherent uncertainties that may affect longer-term performance.

In the United States, expectations of continued strength in domestic leisure travel are anticipated to support activity in Orlando, the country's leading travel destination. Travel-related spending is expected to benefit from sustained demand fundamentals, regional travel activity within Florida, the opening of new attractions, and a potentially more accommodative interest-rate environment.

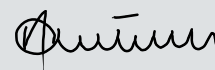
In the Cayman Islands, economic conditions remain stable, with growth projected at approximately 2.2% in 2026. This backdrop continues to support demand for well-located commercial and retail real estate assets, and we expect our investment at The Strand Shopping Centre to remain a meaningful contributor to the Group's earnings.

In Jamaica, economic activity has been adversely affected by the passage of Hurricane Melissa. The Planning Institute of Jamaica has indicated that the economy experienced a significant contraction in the fourth quarter of 2025, with recovery expected to commence as early as the latter part of 2026. While the Group's current exposure to this market remains limited, we continue to monitor

developments closely and will consider Jamaica as part of our broader regional real estate assessment over time. We believe that selective opportunities may emerge as rebuilding and recovery efforts progress.

We continue to remain vigilant and proactive in monitoring global and regional developments, enabling us to respond decisively to changing conditions while remaining focused on long-term value creation.

We would like to thank our partners and shareholders for their ongoing confidence and support, as we continue to build a stronger, more resilient and more profitable company. We look forward to the future with optimism.



Howard Mitchell
Chairman



Brenda-Lee Martin
Chief Executive Officer

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE THIRTEENTH ANNUAL GENERAL MEETING of the Company will be held at McNamara Corporate Services Inc., Bella Rosa Road, Gros Islet, Saint Lucia on Wednesday, May 20, 2026, at 10:30 a.m. and accommodated virtually to consider and, if thought fit, pass the following resolutions:

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

Resolution No. 1

"THAT the Audited Accounts and the Reports of the Directors and Auditors for the year ended December 31, 2025, be and are hereby adopted."

2. To elect Directors.

Resolution No. 2

"That the election of Directors be made en bloc."

Resolution No. 3

- a. **Article 102** of the Company's Articles of Association provides that one-third of the Directors, or if their number is not three or a multiple of three then the number nearest to one-third, shall retire from office at each Annual General Meeting. The Directors retiring under this Article are **Directors Howard Mitchell and John Bailey** who, being eligible, offer themselves for re-election.

"THAT Messrs. Howard Mitchell and John Bailey, who retire by rotation and being eligible offer themselves for re-election, be and are hereby re-elected as Directors of the Company en bloc."

- b. **Article 108** of the Company's Articles of Association provides that the Directors shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Accordingly, **Director Marjorie Fyffe-Campbell**, who was appointed by the Board of Directors since the last Annual General Meeting as an addition to the Board, retires and, being eligible, offers herself for re-election.

"THAT Marjorie Fyffe-Campbell, who retires, having been appointed as an addition to the Board since the last Annual General Meeting, and being eligible offers herself for re-election, be and is hereby elected Director of the Company."

3. To fix the remuneration of the Directors.

Resolution No. 4

"THAT the amount of \$23,569,000.00 included in the Audited Accounts of the Company for the year ended December 31, 2025, as remuneration for their services as Directors, be and is hereby approved."

4. To appoint the Auditors and authorise the Directors to fix the remuneration of the Auditors.

Resolution No. 5

"THAT PricewaterhouseCoopers East Caribbean, Chartered Accountants, having agreed to continue in office as Auditors for the Company to hold office, be and are hereby appointed Auditors for the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."

Dated the 16th day of March 2026

BY THE ORDER OF THE BOARD



MCSI Inc.

Corporate Secretary

Note: A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member. Proxy Forms must be lodged with the Company Secretary, MCSI Inc. at its registered offices at 20 Micoud Street, Castries, St. Lucia not less than 48 hours before the time of the meeting.

A Form of Proxy is enclosed for your convenience.

DIRECTORS' REPORT

The Directors are pleased to submit their Report and the Audited Financial Statements for the year ended December 31, 2025. The Financial Statements reflect the results of the Group.

	2025 J\$000's	2024 J\$000's
Operating Results:		
Group Profit before tax	1,361,042	752,148
Taxation	(352,730)	(295,446)
Net Profit	1,008,312	456,702
Attributable to Stockholders' of the Company	1,008,312	456,702
Stockholders' Equity:		
Stockholders' equity brought forward	22,070,809	20,828,333
Share Capital, opening	12,642,512	12,642,512
Shares issued	-	-
Share Capital, ending	12,642,512	12,642,512
Retained earnings, opening	909,962	453,260
Net Profit	1,008,312	456,702
Retained earnings, ending	1,918,274	909,962
Currency translation, opening	2,255,036	2,144,016
Currency reserve	310,266	111,020
Currency translation, ending	2,565,302	2,255,036
Fair value reserves, opening	6,263,299	5,588,545
Unrealised gains on revaluation of owner-occupied property	210,070	674,754
Fair value reserves, closing	6,473,369	6,263,299
Stockholders' equity carried forward	23,599,457	22,070,809


DIRECTORS

Article 102 provides that one-third of the Directors shall retire from office at each Annual General Meeting. Directors Howard Mitchell and John Bailey retire under this Article and, being eligible, offer themselves for re-election.

Article 108 provides that the Directors may from time to time appoint any person to fill a casual vacancy or as an addition to the Board. Director Marjorie Fyffe-Campbell who was appointed by the Directors of the Board since the last Annual General Meeting as an addition to the Board, retires and, being eligible, offers herself for re-election.

AUDITORS

The auditing firm, PricewaterhouseCoopers East Caribbean, Chartered Accountants, having agreed to continue in office as auditors for the Company, will do so and a resolution authorising the Directors to fix the remuneration of the Auditors will be presented at the Annual General Meeting.



Chairman
March 16th, 2026

BOARD OF DIRECTORS



Howard Mitchell

C.D., J.P.

Mr. Howard Mitchell is an attorney-at-law by profession who has maintained a successful commercial law practice for over thirty-five (35) years with concentrations in mining law and taxation before retiring in 2010 and becoming a successful business owner. As a demonstration of his strong commitment to public service, he was Chairman of the National Housing Trust in Jamaica, the National Health Fund and the Council of the Institute of Jamaica, as well as several other statutory boards in the mining and agricultural sectors. Mr. Mitchell has also served as a Director of the Bank of Jamaica and negotiated a number of mining agreements on behalf of the Government of Jamaica. Mr. Mitchell is a past President of the Private Sector Organisation of Jamaica (PSOJ) and a former Vice President of the Jamaica Manufacturers and Exporters Association.

His philanthropic activities include his membership on the Boards of the Mustard Seed Foundation, Issa Trust Foundation and his former Chairmanship of St. Patrick's Foundation.



Stephen McNamara

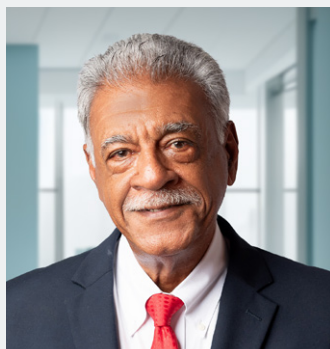
Barrister-at-Law

Stephen McNamara was called to the Bar at Lincoln's Inn and in St Lucia in 1972. He is the Senior Partner of McNamara & Company, Attorneys-at-Law of St. Lucia. The barrister/solicitor specialises in the representation of foreign investors in St. Lucia in the tourism, manufacturing and banking sectors. He served as Chairman of the St. Lucia Tourist Board for nine years. He was appointed Non-executive Chairman of Sagicor Financial Corporation on January 1, 2010, having formally served as Vice Chairman since June 2007. He is also the Chairman of Sagicor Life Inc., and a number of other subsidiaries within the Sagicor Group.

Mr. McNamara's St. Lucia-based service includes the Board of St Lucia Electricity Services Ltd., where he was elected as the Chairman in December 2015, and served until his retirement at the end of 2017. He is also the President of the St. Lucia Tennis Association.

Mr. McNamara was made a Commander of the Order of the British Empire (CBE) in the 2015 Queen's Birthday Honours for public service and services to the legal profession. In 2015, he was awarded an honorary doctorate from the University of the West Indies for his outstanding achievements and contribution to the region in the areas of business, sports and general philanthropy for more than forty years.

In 2026, Mr. McNamara was awarded The Saint Lucia Cross for his distinguished service in the fields of sports administration, financial services, the hospitality industry and law.



Peter W. Pearson

B.Sc., F.C.C.A., F.C.A., J.P.

Mr. Pearson is a graduate of Cornwall College and the University of the West Indies from which he holds a B.Sc. (Management Studies). He is a Fellow of the Institute of Chartered Accountants and a Fellow of the Chartered Association of Certified Accountants. A former partner of PricewaterhouseCoopers, Jamaica, he oversaw the firm's Montego Bay office. He has significant experience in public accounting in tourism and hospitality, banking, government, among other industries. Mr. Pearson is a Director and Audit Committee member of several companies, including four that are listed on the Jamaica Stock Exchange. He has been a Justice of the Peace since 1988.



Bruce R.V. James

O.D., B.Sc., M.B.A.

Mr. James has over 15 years of executive experience in banking and has held many senior positions at Citibank N.A. Jamaica branch, including Vice President in charge of Corporate Banking and Relationship Management. His expertise includes risk management and analysis, marketing of credit products, relationship management and leadership. He is also an experienced governance professional having served as a Director, for more than a decade, on boards in various industries, including banking, investments, real estate, insurance, money services, charities and sports. He is the President and Co-founder of the MVP Track and Field Club. He is a professional track and field analyst across various media, including television, online streaming and radio. He is also an international motivational speaker and a participant in TEDx Jamaica. Mr. James is a National Honours and Awards recipient of the Order of Distinction in the rank of Officer, which was awarded in October 2019.

Academically, Mr. James earned his B.Sc. in Management and Master of Business Administration from Florida State University, where he was selected as the most outstanding M.B.A. student of his graduating class. Mr. James was also awarded the Corporate Director Certificate from Harvard Business School Executive Education in 2022 and the Mergers and Acquisitions Certificate from the University of Chicago Booth School of Business in 2024.

BOARD OF DIRECTORS



John Bailey

B.B.A. (Finance)

Mr. Bailey is a profound business leader. With over three decades of diverse experience, he has made a significant impact in industries such as finance, manufacturing, real estate development, tourism and hospitality. An alumnus of the University of South Florida with a degree in business administration, majoring in finance, Mr. Bailey has since become known for his exceptional negotiation skills and commitment to excellence. In recent years, Mr. Bailey expanded his horizons into real estate, developing luxury villas and commercial projects such as Harmony Hall and New Brunswick Village in Jamaica. With his extensive experience, Mr. Bailey continues to be a prominent figure in the business community, actively contributing to the development of Jamaica and the Caribbean region.



Dr. Marjorie Fyffe-Campbell

B.Sc. (Hons.), M.Sc., D.B.A., F.C.A., J.P.

Dr. Marjorie Fyffe-Campbell is a management consultant who possesses extensive knowledge and experience in corporate governance, finance and accounting, organisational management, risk management, property development and property management. She holds a Doctorate in Business Administration from Mona School of Business and Management, University of the West Indies ("MSBM"). She also holds a B.Sc. (Hons.) and an M.Sc. in Accounting from the University of the West Indies. She has attended development management courses at Harvard University, Duke University and the Wharton School at the University of Pennsylvania. She is a Fellow of the Institute of Chartered Accountants of Jamaica, a former member of the Hospitality, Financial and Technology Professionals, and a Justice of the Peace/Lay Magistrate.

She is a former President and CEO of the Urban Development Corporation and a former Adjunct Lecturer at MSBM.

Dr. Fyffe-Campbell is also a Director of Sagicor Life Jamaica Limited, Sagicor Life of the Cayman Islands Ltd, Sagicor Property Services Limited, Sagicor Foundation Jamaica, and Sagicor Pooled Investment Funds Limited. She is a former Director of Sagicor Financial Corporation. She is listed as a mentor to new listings on the Jamaica Stock Exchange Junior Market.



Colin Steele

B.B.A., M.B.A., C.P.A.

Mr. Steele is an entrepreneur and a housing developer who began his career as a Certified Public Accountant. He is experienced in lending, capital markets and investment banking. Mr. Steele has served as a Director of several Government companies, including the Port Authority of Jamaica and the University Hospital of the West Indies. He is currently a Director of Sagicor Bank Jamaica Limited, Sagicor Investments Jamaica Limited and the Chairman of Sagicor Select Funds Limited. Mr. Steele has also served as Chairman of the Economic Policy Committee of the Private Sector Organisation of Jamaica.



Brenda-Lee Martin

B.Sc., M.B.A. (Finance)

Brenda-Lee Martin was appointed Chief Executive Officer of Sagicor Real Estate X Fund Limited in 2018. She worked with Sagicor Group Jamaica from December 1992 to September 2022 where she served in numerous capacities.

Ms. Martin has a wealth of experience in investment management and held the position of Vice President – Asset Management from 2015 to September 2022. In her position as Vice President, she had oversight of Sagicor's pension, mortgage and Sigma Investment portfolios, as well as Sagicor Property Services Limited (SPS), the largest property managers of private real estate in Jamaica (on behalf of Sagicor and third-party property owners).

Ms. Martin holds a Bachelor of Science degree from the University of the West Indies, Mona in Economics & Management, as well as a Master of Business Administration degree specialising in Finance from the University of Wales and Manchester Business School. She also holds a FLMI LOMA designation.

CORPORATE STRUCTURE



CORPORATE DATA

DIRECTORS:

Howard Mitchell (Chairman)
 Stephen McNamara
 Peter Pearson
 Colin Steele
 Bruce James
 John Bailey
 Marjorie Fyffe-Campbell

EXECUTIVE:

Brenda-Lee Martin
 Chief Executive Officer

CORPORATE SECRETARY:

MCSI Inc.
 20 Micoud Street,
 Castries, Saint Lucia

Auditors:

PricewaterhouseCoopers
 East Caribbean
 Unit 111, Johnsons Centre
 No. 2 Bella Rosa Road
 P.O. Box BW 304
 Gros Islet, Saint Lucia

Bankers:

Sagicor Bank Jamaica Limited
 17 Dominica Drive
 Kingston 5

Attorneys:

Patterson Mair Hamilton
 Attorney-at-Law
 Temple Court
 85 Hope Road
 Kingston 6

Registered Office:

20 Micoud Street
 Castries
 St. Lucia

Territories of Operation

St. Lucia

Sagicor Real Estate X Fund Limited
 20 Micoud Street
 Castries
 St. Lucia

Jamaica

X Fund Properties Limited
 (wholly owned subsidiary)
 28 – 48 Barbados Avenue
 Kingston 5
 Jamaica

USA

X Fund Properties LLC
 (wholly owned subsidiary of X Fund
 Properties Limited)
 5780 Major Boulevard
 Orlando, Florida 32819
 USA

Cayman Islands

X Fund Properties Limited
 (wholly owned subsidiary)
 68 Fort Street
 George Town
 P.O. Box 31726
 Grand Cayman KY1-1207
 Cayman Islands



RESORT PROPERTY DOUBLETREE BY HILTON

at the Entrance to Universal Orlando



Our full-service hotel features 742 guest rooms with elegant amenities. We feature a variety of suite options perfect for your VIPs and special guests. With our guest rooms located in the hotel's two towers, we are proud to feature spectacular views, including the Universal Orlando Resort, International Drive and our City Beautiful. Our spacious, 100% non-smoking guest rooms feature plush-top beds and an array of lifestyle amenities as you would expect with DoubleTree by Hilton standards.

Our hotel being one of the largest conference and event venues in Orlando, we feature 70,000 square feet of newly renovated space. This space includes a 20,000-square-foot Universal Center, one of the largest spaces with natural light in the city, which can serve as a multi-purpose conference ballroom and exhibit space. Our elegant 15,000-square-foot Seminole Ballroom boasts a built-in stage, elegant lighting



DOUBLETREE
by Hilton™

AT THE ENTRANCE TO
UNIVERSAL ORLANDO

742Guest
Rooms**19**Guest
Suites

and proximity to numerous breakout room options. Our space is located all on ground level and wired for today's technology needs. Experience the beauty of our brand-new outdoor Lakeside Pavilion, an exceptional setting for weddings, social events and memorable celebrations. Showcasing modern architectural design and stylish contemporary details, this expansive venue comfortably hosts up to 300 guests. Created to blend sophistication with adaptability, the Lakeside Pavilion provides an airy, open atmosphere while offering shelter from the elements, perfect for gatherings at any time of day.

The DoubleTree by Hilton, located at the Entrance to Universal Orlando, consistently surpasses market performance benchmarks. This success is attributed to its synergistic partnership with Universal Studios Orlando, the comprehensive renovation undertaken in 2017/18 and the professional management by Aimbridge Hospitality.

These factors have propelled the hotel to achieve another impressive occupancy year of 87%, significantly outpacing the Orlando market average of 63.9%. The hotel's ongoing focus on Group and Catering sales remains a cornerstone of its growth strategy. Both segments are currently experiencing gains compared to 2024, signalling positive momentum as leisure travel gradually recovers. This targeted approach is expected to drive higher food and beverage revenues, with a strategic shift towards more profitable banquet and catering business rather than à la carte sales. Close collaboration with Aimbridge and the Hilton National Sales Office is essential to this plan, with projections of over 50,000 group room bookings in 2026. Although leisure demand has not returned to its 2023 peak, Florida continues to anticipate strong visitor numbers. Furthermore, the recent opening of Universal's Epic Universe is poised to enhance the state's already robust tourism industry.



KEY FEATURES	
Number of Rooms	742, including 4 Penthouse suites
Number of Buildings	2 towers
Number of Floors	18 and 19
Parking	Surface, above ground
Guest Amenities	1,300 sq ft Fitness Centre One outdoor swimming pool, splash pad Sunshine Café – breakfast buffet American Grill – restaurant, sports bar Pizza, Burgers & more – all day offerings Italian Gelato - ice cream shop Gift Shop
Total Convention/Meeting Space	63,000 sq. ft. indoor 7,500 sq. ft. outdoor pavilion
Location	5780 Major Boulevard, Orlando Fla 32819, USA

The DoubleTree by Hilton remains a premier leisure destination in Orlando, owing to its prime location near key attractions. Furthermore, the recent opening of Universal's Epic Universe is poised to enhance the state's already robust tourism industry.

Starting in 2026, the hotel will launch a \$22-million renovation covering all 742 guest rooms and suites, public spaces, five dining venues and 70,000 square feet of meeting facilities. This extensive upgrade will elevate the hotel's offerings and is expected to generate increased revenue by enabling a higher average daily rates. The hotel's strategic focus for 2026 is to continue optimising average daily rate during peak group demand periods, while leveraging third-party partnerships to drive occupancy during lower demand periods. These efforts are complemented by

a strong alliance with Universal Orlando Resort to enhance brand visibility and business growth.

The DoubleTree by Hilton remains a premier leisure destination in Orlando, owing to its prime location near key attractions. The Group Sales and Catering team is committed to maximising market share across all segments, while initiatives to boost customer service awareness aim to elevate the hotel's standing in TripAdvisor ratings and Guest Satisfaction scores.





THE STRAND SHOPPING CENTRE GRAND CAYMAN

KEY FEATURES

Location	West Bay, Grand Cayman
Total Rentable Area	14,700 sq ft
Number of Units	6*
Tenants	Mix of restaurants, lounges, sporting outlets.

* One of the six units is to be split into 3 smaller units for rental.

The Company owns a prime 14,700-square-foot commercial property within the iconic 87,000-square-foot Strand Shopping Centre, a landmark mixed-use destination in Grand Cayman. This strategic foothold enables us to capitalise on the property’s massive footprint and its status as a high-traffic hub within one of the island’s most established commercial environments.

Ideally positioned along Grand Cayman’s primary tourism corridor, the asset benefits from immediate proximity to world-class luxury resorts, including The Ritz-Carlton and The Westin Grand Cayman. This location drives consistent, high-volume traffic, supported by a dynamic blend of international financial services, destination dining and specialty retail catering to both

residents and visitors. Acquired in 2024, the investment was underpinned by its strong potential to generate stable, attractive returns within a premier Caribbean market. Today, the asset continues to perform robustly with a diverse tenant base comprising well-established restaurants and dining options, and entertainment operators.

The portion of the complex owned by X Fund currently comprises five leased spaces primarily occupied by restaurant operators, along with one retail outlet. One section of approx. 2,500 square-foot space is being subdivided into three smaller units to enhance marketability and leasing flexibility; we are already in discussion with prospective tenants for these units.

Lease agreements average five years, with all tenants having exercised renewal options – an indicator of tenant satisfaction and the asset’s strong positioning. Property operations are supported by a local professional management company, ensuring consistent upkeep and efficient management. As a strata development, maintenance costs are shared among all tenants, contributing to cost efficiency and preserving asset quality.

As of the latest reporting period, the income-generating units have exceeded projected return benchmarks, reinforcing the Company’s successful entry within the Cayman Islands’ real estate market.

SIGMA REAL ESTATE

X Fund maintains an investment in the Sigma Real Estate Portfolio managed by Sagicor Life Jamaica. The Sigma Real Estate Portfolio (SREP) is a unitised real estate solution providing accredited and institutional investors with access to strategic real estate and real estate related assets located across Jamaica.

This portfolio of assets is managed by Sagicor Property Services Limited which is among the largest property management companies in Jamaica. Despite the localised impacts of Hurricane Melissa, from which recovery has been ongoing, SREP remains firmly focused on identifying and executing growth opportunities to further enhance investor returns.

For 2026, the portfolio is well positioned to continue creating value through targeted investments in commercial real estate within Jamaica's resilient economic landscape. Emphasis will be on locations projected for growth in population and commercial activity. These include:

1. The acquisition of commercial units at the recently completed New Brunswick Commercial and Residential Complex, located on Brunswick Avenue, St. Catherine.
2. The Portmore Promenade, a commercial village in Portmore, St. Catherine.



For the year ended December 31, 2025, the SREP was valued at \$30.4B (of which X Fund holds approximately 1%) and generated a return to investors of 7.2%. The SREP consists of 15 investment properties with a breakout by property type detailed below.

Investment Property Breakout by Property Type

PERCENTAGE (%)



- 48%** COMMERCIAL
- 18%** WAREHOUSING
- 14%** TOURISM
- 20%** LAND



MANAGEMENT'S DISCUSSION & ANALYSIS



FINANCIAL REVIEW

Sagicor Real Estate X Fund Limited's net profit attributable to stockholders exceeded \$1 billion, closing the year at \$1.01 billion. This represents year-over-year growth of 121% or \$551.61 million. The Group's strong performance was driven by a 70% improvement in net profits from core operations, which jumped from \$454.02 million in the prior year to \$772 million at the end of 2025. This highlights the sustainability of earnings, which resulted from a combination of increased revenues and improved cost efficiency. X Fund's strategy to expand its direct real estate portfolio, with the purchase of investment property in September 2024, led to a higher profit contribution from commercial operations, reaching 11.2%, up from -7% last year. This further boosted investment income by 83% to \$822.95 million as at December 2025, compared to \$449.70 million in the previous year. The expansion in profitability was achieved despite a slowdown in international inbound travel

to the US relative to 2024 and lower interest rates due to the current macroeconomic environment. This demonstrates the effectiveness of the Group's diversified earnings base to increase revenues and drive profitability. Earnings per share (EPS) grew to \$0.45, which represents a 121% increase over the prior year's EPS of \$0.20. This result represents a positive upward trajectory from the previous quarters. X Fund's share price closed 2025 at \$8.00 with a market capitalisation of \$17.94 billion.

EARNINGS

The Group generated revenues of \$8.48 billion for the year, reflecting a 9% improvement over the same period last year. Hotel earnings climbed from \$7.33 billion in 2024 to \$7.64 billion in 2025, an increase of \$307.14 million. Hotel revenue contribution was 90%, a 4% drop linked to the Group's broadening revenue base. Earnings were bolstered by a 254%

HIGHLIGHTS		
	December 2025 Audited	December 2024 Audited
Total Revenue - J\$ billion	8.48	7.80
Earnings before interest, tax, depreciation and amortisation (EBITDA) - J\$ billion	2.22	1.79
Net Profit attributable to stockholders - J\$ billion	1.01	0.46
Earnings per stock unit - J\$	\$0.45	\$0.20
Total Assets - J\$ billion	30.07	32.21
Stockholders' Equity J\$ billion	23.60	22.07
JSE X Fund share price - J\$	8.00	8.50
Market capitalisation - J\$ billion	17.94	19.07

DoubleTree Orlando's (DTO's) net profit increased by 36% over the prior year, ending 2025 at \$659.42 million. The hotel's results were positively impacted by higher occupancy levels and increased average daily rates.

rise in net investment property income, which was recorded at \$87.32 million. There was also a 478% or \$426.65 million growth in capital gains towards the end of the fourth quarter at \$337.32 million.

DIRECT HOTEL OPERATIONS

DoubleTree Orlando's (DTO's) net profit increased by 36% over the prior year, ending 2025 at \$659.42 million. The hotel's results were positively impacted by higher occupancy levels and increased average daily rates. Revenue growth from hotel operations exceeded cost increases by \$96.92 million, indicating the effectiveness of cost containment initiatives to improve margins. Earnings before interest, tax, depreciation and amortisation (EBITDA) was \$1.89 billion for the period, reflecting growth of 5% compared to 2024.

COMMERCIAL OPERATIONS

Net profit from commercial operations increased by \$143.03 million for the period, up 470% from the prior year's loss of \$30.45 million. The Group's improved performance was reflective of a strategic real estate acquisition in the Cayman Islands, coupled with capital gains on Sigma holdings.

OTHER OPERATIONS

Profits from other operating activities amounted to \$236.31 million, a year-on-year growth of \$233.62 million compared to December 2024. This was driven by fair value and foreign exchange gains, along with capital gains from the redemption of an investment note. The robust performance of the investment portfolio was as a result of the Group's investment strategy and the prevailing macroeconomic environment. The continued easing of interest rates across capital markets and loan repayments led to a 23% reduction in interest income, which fell to \$398.31 million.

\$8.48B
Total Revenue

Hotel Earnings

\$659.42M

Net Profit Attributable
to Stockholders

\$1.01B

Commercial Operations

\$143.03M

Investment
Income

\$822.95M

The ongoing Russia-Ukraine war remained a key disruptor of energy markets, contributing to volatility in commodity prices. Escalating trade disputes among major economies heightened uncertainty affecting global trade and investment flows.



LIQUIDITY AND SOLVENCY

The Group generated increased operating cash flows of \$1.68 billion, a 222% increase over December 2024, ending the year at \$922.59 million. Cash and cash equivalents, excluding restricted cash, grew to \$4.71 billion versus \$4.51 billion in the prior year. The 2025 results were primarily impacted by debt obligation repayment of \$6.79 billion and new loan proceeds of \$3.09 billion.

BALANCE SHEET

The Group's total assets were impacted by the settlement of debt obligation that matured during the year, which resulted in net outflows of \$3.70 billion. This led to a 7% decline in total assets, which were valued at \$30.07 billion at December 2025. The improved profitability of the Group, along with the appreciation of the US dollar relative to its Jamaican counterpart and an increase in the hotel property value, led to stockholder's equity improving by 7%, amounting to \$23.60 billion.



GLOBAL ECONOMY

2025 was defined by shifting global power dynamics, intensified geopolitical conflicts, rapid technological advancement and increasingly evident climate-related events. Despite these challenges, the global economy demonstrated a measure of resilience. Central banks worldwide maintained a cautious stance on monetary policy. Although inflation moderated in several regions, it remained above target in many major economies, prompting central banks to make measured rate cuts while overall policy rates stayed relatively elevated. This environment contributed to persistently tight financial conditions and subdued economic activity.

Geopolitical tensions continued to weigh heavily on the global outlook. The ongoing Russia-Ukraine war remained a key disruptor of energy markets, contributing to volatility in commodity prices. At the same time, escalating trade disputes among major economies heightened uncertainty affecting global trade and investment flows. According to the International Monetary Fund (IMF), global growth is projected to be 3.2% for 2025, which lags behind the pre-pandemic rate of 3.7%.

In the United States (US), inflation eased to 2.7% year-over-year in December 2025, down from 2.9% in December 2024. For the year, housing costs and food prices were the largest upward pressures, though declines in gas prices helped moderate overall inflation. The US Federal Reserve implemented three (3) rate cuts during the year, totalling 75 basis points, reducing the policy rate from the range of 4.25% - 4.50% to the range of 3.50% - 3.75%. This shift supported strong performance in the fixed income markets. The Bloomberg US Aggregate Bond Index delivered returns of 7.3% year-over-year, reflecting a broad-based bond rally.

Equity markets also posted strong gains, driven by continued enthusiasm around artificial intelligence, digital transformation, a weaker US dollar and improving global growth sentiment. The MSCI All-Country World Index, comprising



International tourism continued to expand in 2025, with approximately 1.52 billion international tourists recorded globally. This represents year-over-year growth of 4.0% and surpasses the 1.47 billion international tourists recorded in 2019, signalling a normalisation of growth following the post-pandemic recovery period.

1,395 constituents from 23 developed and 24 emerging markets, rose by 22.3% over the year, while the S&P 500 and NASDAQ Composite advanced by 16.9% and 20.4%, respectively. Europe's Stoxx 50 Index grew by 28%, while the Asia Dow Index gained 27.6%. Gold also delivered a noteworthy performance, closing the year at US\$4,319.37 per

ounce, a historic level and a significant increase from US\$2,624.50 at the start of the year. This surge was largely driven by geopolitical instability, shifting trade policies, declining interest rates, which prompted investors, notably institutional investors, to diversify away from traditional sovereign instruments to alternative stores of value.



TOURISM SECTOR REVIEW

Global Environment

International tourism continued to expand in 2025, with approximately 1.52 billion international tourists recorded globally. This represents year-over-year growth of 4.0% and surpasses the 1.47 billion international tourists recorded in 2019, signalling a normalisation of growth following the post-pandemic recovery period.

Regionally, Europe, the world's most visited region, led overall volumes with an increase of 28.8 million visitors (or 4%) to reach 793.5 million international arrivals. Africa posted the strongest relative growth with visitor arrivals increasing by 8% to 81 million, while the Middle East recorded a 3% increase to 100 million visitors. Notably, all three regions exceeded their pre-pandemic (2019) levels.

The Asia-Pacific region grew by 6% to 331 million visitors, but remains 9% below pre-pandemic levels, reflecting a more gradual recovery. Similarly, the Americas recorded modest growth of 1% to 218 million visitors, remaining slightly below 2019 levels by approximately 1%.

Orlando, Florida Environment

Florida continued to record growth in visitor arrivals during 2025, welcoming 143.3 million visitors, a marginal 0.2% increase year-over-year. This growth was primarily driven by overseas markets. Approximately 41% of visitors (58.3 million) arrived by air. Total passenger deplanements at the Orlando International Airport increased by 0.7% to 28.9 million in 2025. International visitor arrivals increased 4.0% to 9.3 million over 2024, and this excluded visitors from Canada, which declined by 14.7% to 2.9 million visitors during the year. Domestic travel remained the dominant source market, accounting for 91.5% of total visitors and increasing by 0.3% during the year.

Hotel performance reflected a mixed but generally stable operating environment. Occupancy declined to 74.2% as at December 2025, down 0.8% compared to December 2024. Despite the decline in occupancy, room demand increased by 1%, reflecting continued expansion in hotel inventory. The average daily rate (ADR) increased to US\$241.63, representing a 5% increase year-over-year and demonstrating continued pricing power within the market.



Cayman Islands Environment

During 2025, the Cayman Islands' economy continued to expand at a moderate pace when compared to the prior year. Real GDP growth for the first half of 2025 was estimated at 2.7%, with full year 2025 growth projected at 2.6%, down from 3.1% in 2024. The Health & Social Services and the Agriculture & Fishing sectors recorded the strongest growth, expanding by 5.6% and 4.4%, respectively, while Financing & Insurance Services remained the largest contributor to economic output.

Inflation increased modestly to 1.9% in the first half of 2025, up from 1.6% in the corresponding period of 2024. Most categories recorded price increases, with the exception of Housing & Utilities which declined by 1.9%, due to lower electricity, water and furniture costs. The Prime Lending Rate declined to 7.50% as at Q2 2025, down from 8.50% in Q2 2024, supporting improved financing conditions.

During the first half of 2025, the Cayman Islands' real estate market demonstrated strong value growth, with the total value

of building permits increasing by 48.2% to US\$252.2 million. This expansion was driven primarily by residential and industrial developments, which were offset by a decline in commercial construction. The data points to a robust residential supply pipeline, supported by easing lending rates and anticipated demand. The hotel category had a single five-storey resort project valued at CI\$11.0 million.

Overall property prices have increased in the Cayman Islands, particularly in prime locations such as Seven Mile Beach and other key residential areas. Prices increased by 2.9% in George Town, 2.7% in Seven Mile Beach and 10.5% in West Bay. This highlights the sustained demand for premium waterfront properties. Despite this, the number of project approvals declined by 13.3%. This, therefore, suggests continued momentum in existing developments rather than a broad-based slowdown.

Market activity continued to shift toward higher-value transactions. Although the number of real estate transactions declined by 5%, the total value of transactions increased by 11%.

Jamaican Environment

Jamaica's economy experienced a sharp reversal in the final quarter of 2025 following the passage of Hurricane Melissa. The hurricane caused widespread disruption across all major sectors, reversing earlier gains and contributing to an estimated GDP contraction of 11% to 13% in the December quarter, compared with growth of 5% in the September 2025 quarter.

For the 2025/2026 financial year (FY), the economy is projected to contract by 1% to 3%, with recovery expected in FY 2026/27 as reconstruction efforts progress. Prior to the hurricane, the construction sector had shown signs of recovery, expanding by 5.5% year-over-year up to September 2025; however, activity is expected to be temporarily constrained due to infrastructure damage, according to the Planning Institute of Jamaica.

The tourism sector was similarly impacted, with total arrivals declining by 10% to 2.6 million visitors in 2025. The United States remained the dominant source market, accounting for 70.7% of

total visitors despite an 11.0% decline in arrivals. Despite lower volumes, average visitor spend increased, indicating continued resilience in higher-value tourism segments.

Macroeconomic indicators remained relatively stable. Inflation moderated to 4.5% at December 2025, interest rates declined and the Net International Reserves strengthened to US\$6.3 billion. While the Jamaican dollar depreciated modestly by 2% versus the US dollar, the unemployment rate remained low at 3.3%, and the Debt to GDP ratio continued on a downward trajectory.

2026 Economic Outlook

Based on the International Monetary Fund's (IMF's) World Economic Outlook, global growth is projected at 3.3% in 2026, unchanged from the prior year. This reflects the global economy's resilience amid tariff-related disruptions, supported by easing trade tensions, higher-than-expected fiscal stimulus, accommodative financial conditions, as well as private sector agility.

Continued investment in the information technology sector has also contributed positively to growth. Global inflation is projected to decline from 4.1% in 2025 to 3.8% by the end of 2026 and further to 3.4% in 2027. While most major economies are expected to return to inflation targets between 2026 and 2027, risks remain. Renewed trade policy disruptions could place upward pressure on inflation, while escalations in geopolitical tensions, particularly in the Middle East, Europe, Asia or Latin America, could trigger negative supply shocks. Additionally, if expectations surrounding artificial intelligence

investments prove to be overly optimistic, a sharp correction in capital spending could negatively affect asset valuations, consumption and economic growth.

Tourism Outlook

The United Nations World Tourism Organization (UNWTO) projected global tourism growth for 2025 to range between 3% and 5%. Early indicators are aligned with this forecast, as the sector has reflected growth of 4% compared to a year earlier. The World Travel and Tourism Council (WTTC) anticipates similar trends for 2026, forecasting an expansion in global tourism by 2% to 4% and that tourism spending will continue to comprise approximately 10% of global Gross Domestic Product (GDP), amidst inflationary pressures.

The US tourism industry is expected to recover in the coming year, with international travel anticipated to grow by about 3.9% over 2025, following a deceleration in the rate of decline in the last quarter of 2025. This should be supported by robust domestic leisure travel demand, building on the positive momentum in the current year. This will drive further growth in the Orlando market, which achieved visitor increases of 1% to 2% in 2025, while retaining its position as the most visited theme park destination in the United States. Travel-related spending is estimated to continue to increase in 2026 fuelled by the recent opening of new attractions, World Cup-related activities and a lower interest rate environment. Despite policy, economic and perception risks, it is expected that strong domestic demand, higher investments and increased quality experiences will support sustained growth in both the short and long term.

The Cayman Islands economy continues to provide favourable economic conditions for the Group's commercial real estate holdings, with the Cayman Islands government projecting economic expansion of 2.6% in 2025 and a further 2.2% forecast for 2026. This is bolstered by retail space occupancy rates of around 90% to 95%, leading to sustainable and increasing rental rates. This has positioned the Group to benefit from higher investment property yields from stable tenancy and consistent rental flows.

In Jamaica, the aftermath of Hurricane Melissa has started to weigh on economic activity, as the Planning Institute of Jamaica estimates contraction of between 11% and 13% during the fourth quarter of 2025. Despite this downturn, recovery is forecasted to begin as early as the fourth quarter of 2026. The economic headwind from the impact of the hurricane is not likely to significantly affect the Group's performance, as X Fund's portfolio continues to show strong signs of growth with only a 1% exposure to Jamaican real estate through its Sigma holdings.

X Fund continues to carefully monitor and assess the current economic environment and make decisions in the best interest of our stakeholders. This assessment will include exploring opportunities within Jamaica that will provide sustained value and, thereby, contribute to a stronger rebuilding and recovery of the country.

RISK MANAGEMENT STATEMENT



X Fund maintains a disciplined and structured approach to risk management, ensuring that all investment decisions are aligned with its objective of delivering sustainable, risk-adjusted returns while preserving capital.

The Group's risk management framework is embedded within its governance structure, and overseen by the Investment Committee and Board of Directors. This framework emphasises prudent investment practices, rigorous due diligence, and continuous portfolio monitoring to identify, assess, and mitigate potential risks.

Key risks are actively managed as follows:

Construction Risk: Mitigated through comprehensive project evaluation, engagement of experienced professionals, and the inclusion of contractual safeguards to manage timelines and costs.

Country Risk: Reduced through geographic diversification and a focus on jurisdictions with strong economic fundamentals and political stability.

Liquidity Risk: Managed by maintaining adequate cash reserves, investing in liquid instruments, and prioritising high-quality tenants with strong financial standing.

Concentration Risk: Addressed through diversification across multiple jurisdictions, asset classes, and industries.

Credit Risk: Minimised by investing primarily in government and investment-grade securities.

Inflation Risk: Mitigated through allocation to real assets and hard currency investments.

Interest Rate Risk: Managed by aligning the duration of fixed income investments with the Group's liabilities and maintaining a diversified portfolio.

Currency Risk: Reduced through strategic currency management, including prioritising USD-based investments and monitoring foreign exchange exposure.

The Group also integrates Environmental, Social, and Governance (ESG) considerations into its investment process, recognising that sustainable and responsible investing contributes to long-term risk mitigation and value creation.

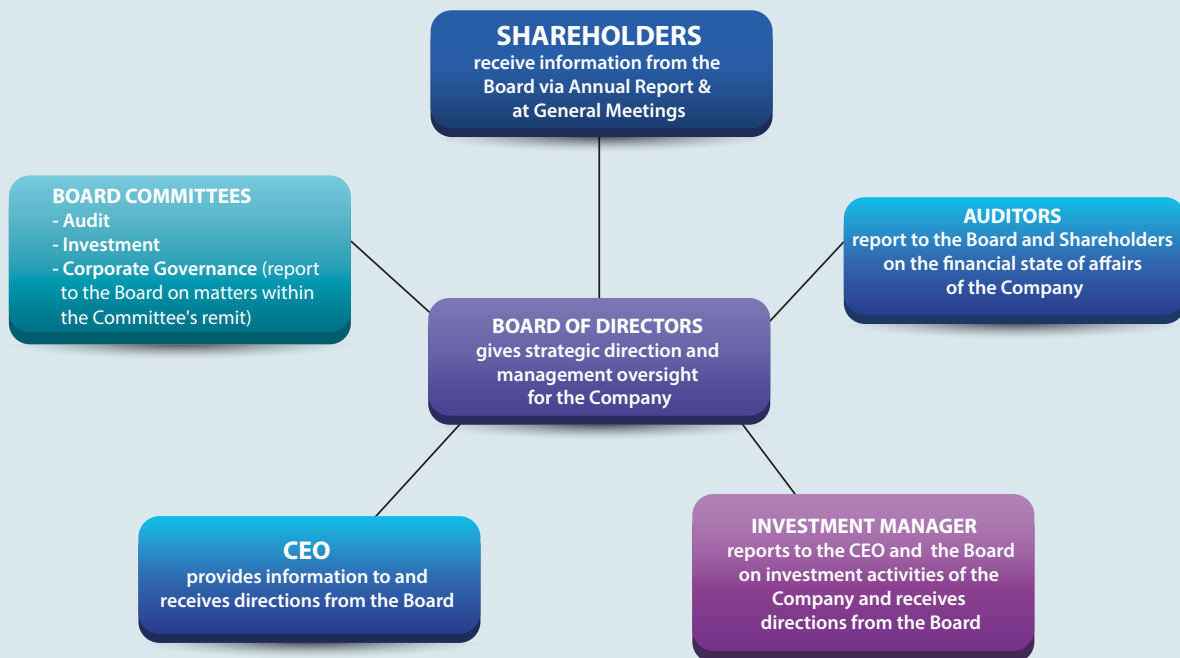
Through this comprehensive approach, X Fund seeks to safeguard its assets, enhance portfolio resilience, and support the achievement of its long-term investment objectives.

CORPORATE GOVERNANCE

Since inception, Sagicor Real Estate X Fund Limited (“the Company”) and its subsidiaries have upheld a commitment to high corporate governance standards. Throughout the years, the Company has demonstrated this commitment to corporate governance by adhering to the principles and guidelines laid out in its Corporate Governance Policy (the “Policy”). The Policy is influenced by applicable laws and regulations, internationally-accepted corporate governance best practices and recent trends in governance. This Policy is available on the Company’s website at www.realestatexfund.com. As we strive to maintain these high standards, the Company will in 2026, review and update the Policy to incorporate its own Code of Ethics.



Scan to view Corporate Governance Policy



Corporate Governance Framework

The structure of the Company’s corporate governance framework facilitates contributions from all stakeholders, thereby encouraging holistic involvement and participation at all levels. The design of the structure is such that it ensures

that the Company makes timely disclosures and shares accurate information regarding its financials and performance, as well as its leadership and governance.

Shareholder Rights and Responsibilities

Shareholder involvement, along with corporate disclosure and transparency, is considered integral to the corporate governance structure of the Company. As such, the Company consistently makes a concerted effort to ensure that all shareholders are provided with adequate and timely information on the Group's performance. This is facilitated through the implementation of a question-and-answer session at the Company's Annual General Meeting, and shareholders are given clear guidelines before voting at Annual General Meetings.

Additionally, shareholders are provided with interim reports, Annual Reports, press releases and other information, which can be found on the Company's website at www.realestatexfund.com.

Board of Directors

The Company's Board of Directors consists of seven (7) Non-Executive Directors as at December 31, 2025. Mr. Howard Mitchell is the Chairman of the Board. There are several factors used to determine the cohort of Directors to serve within a given year, including their strengths, expertise and experience. Since the Company is heavily real estate-based, all Directors are required to have experience in the real estate industry. The essential objective is to create unity among the Directors to preserve the legacy of providing effective strategic oversight to the X Fund Group.

In 2025, the Board undertook the following:

- guiding the strategic direction of X Fund, which involved setting business objectives and the plans for achieving them;
- executing the approved business objectives through adequate management, leadership and resources;
- monitoring the performance of its hotel property and the Sigma Real Estate Portfolio with a view to achieving the strategic objectives and ensuring compliance with all applicable legal and regulatory regimes;
- ensuring due and proper accounting to all stakeholders of X Fund including the stockholders.

Chairman

The role of the Chairman is to effectively lead, operate and govern the Board and its Committees, ensuring that all Directors contribute to the development and implementation of the Company's strategic goals. The Chairman provides oversight on the management of the risks that the Company faces in the implementation of its strategies.

Chief Executive Officer

The Chief Executive Officer, Ms. Brenda-Lee Martin, is responsible for the management of the key objectives of X Fund and executing the strategic development initiatives as directed by the Board.

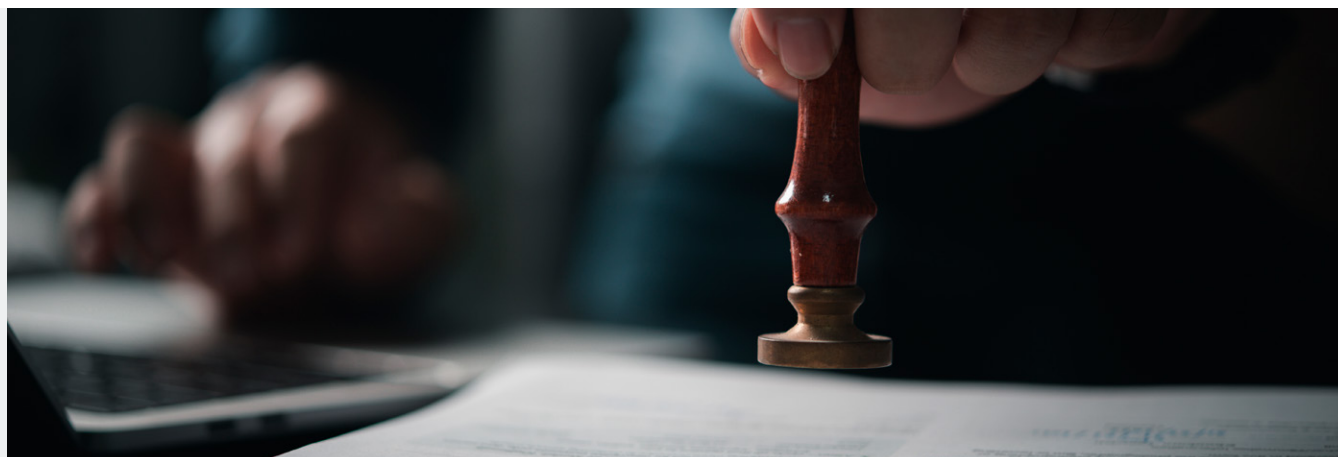
Director Independence

As at December 31, 2025, the Company was compliant with the independence criteria in its Corporate Governance Policy, which has a minimum requirement of at least two (2) independent directors. Independence adds to the objectivity and transparency of the Board and is based on criteria agreed by the Board and outlined in the said Corporate Governance Policy in accordance with local laws, regulations and best practice.

Directors are required to submit to an annual self-assessment of their compliance with these criteria and any conflict-of-interest requirements.

Board Evaluation

- As a fiduciary of the shareholders, one of the key functions of the Board is to ensure consistent monitoring and review of its overall effectiveness as a Board, as well as the effectiveness of its committees, and each Director. The Board works alongside the Corporate Governance Committee to establish the evaluation criteria for the performance of each Director, as well as the overall Board. The criteria are used to evaluate its performance annually and that of its individual Directors.
- The evaluation of the Chief Executive Officer and the Company Secretary is also covered under this review process. Action plans and issues are monitored over the period under review and may include adjustments to the strategic planning process. This allows for more time to deliberate on the strategies presented and the continued focus on the Board's agenda to cover certain critical non-standard items.



Director Nomination and Appointment

The Amended and Restated Articles of Sagicor Real Estate X Fund Limited set out the basis on which Directors are appointed. These assessment criteria are:

- Board Core Competency Requirements
- Director Core Competency Requirements
- Knowledge and Expertise
- Representational Factors
- Time Commitments
- Director Independence

Each year, at least one third of the Directors retire at the Company's Annual General Meeting and said Directors are eligible for re-election. The Directors retiring this year are Howard Mitchell and John Bailey and, being eligible, offer themselves for re-election and are being recommended to the shareholders for reappointment. Dr. Marjorie Fyffe-Campbell, who was appointed as an addition to the Board of Directors since the last Annual General Meeting, retires and, being eligible, offers herself for re-election.

The Corporate Governance Committee plays a pivotal role in shaping the effectiveness and integrity of the Board

by regularly assessing the evolving landscape in which the Company operates. This involves a thorough evaluation of strategic priorities, shifts in the external environment and the current composition of talent on the Board. By proactively identifying gaps and opportunities, the Committee ensures that the Board remains agile and well-positioned to address both current and future challenges.

Once potential candidates are identified, the Committee undertakes a comprehensive vetting process, which includes conducting interviews, performing due diligence and preparing detailed profiles that outline how each candidate aligns with the established assessment criteria. The Committee carefully reviews each individual's independence, qualifications and background, confirming that his/her addition would enhance the Board's collective competencies and that his/her representation aligns with the Company's strategic needs. Only after verifying that the candidate is willing and able to fulfil all commitments does the Committee recommend appointment to the Board.

Director Orientation and Training

Director orientation and ongoing education are essential components

of the Board's governance framework. New Directors participate in a structured induction programme that familiarises them with the X Fund Group's operations, organisational structure, key procedures and risk management strategies. In addition, all Directors are offered regular training sessions to deepen their understanding of the Company's business lines, products, and the broader regulatory and financial reporting environment. Participation in annual mandatory AML/CFT training is also required to ensure compliance with relevant legal standards and to promote ethical conduct.

Directors' Expertise

The Board's composition reflects a deliberate blend of knowledge, skills and experience tailored to the Company's needs. Directors are selected for their proven leadership in high-responsibility roles and for their expertise across diverse fields such as general management, corporate finance, mergers and acquisitions, strategic management, corporate governance, corporate law, asset management and property management. This diversity fosters robust debate and critical analysis, supporting well-informed decisions which underpin the need for independent and critical thinking in their ability to represent the interests of shareholders.

The table below illustrates the skillset of the Directors:

SKILLS & EXPERTISE	BOARD MEMBERS						
	Howard Mitchell	Stephen McNamara	Peter Pearson	Bruce James	Colin Steele	John Bailey	Dr Marjorie Fyffe-Campbell**
GENERAL MANAGEMENT							
INTERNATIONAL BUSINESS							
FINANCE							
STRATEGIC MANAGEMENT							
CORPORATE LAW							
BANKING							
CORPORATE FINANCE (Mergers & Acquisitions)							
ASSET MANAGEMENT							
PROPERTY							

Board Operations

The Board of Directors is scheduled to meet quarterly; however, throughout the year, additional ad hoc meetings are held to deal with urgent matters. The critical agenda items which were covered at Board meetings in 2025 include:

- The approval of the year-end audited financial statements;
- The review and approval of the quarterly unaudited financial statements and reports to the stockholders;
- Discussion on major investments/operations and strategic business initiatives, including hotel portfolio and Cayman Islands real estate investment;
- Ratification/approval of decisions of the Board Committees.

** Subsequent Event: Appointed as an addition to the Board of Directors after the last Annual General Meeting.

Board Committees and Attendance Records

A total of seventeen (17) Board and Committee meetings were held for the year 2025. Meetings were held either virtually or in hybrid format, accommodating Directors virtually and in person. In addition to the Board Meetings held during the year, the Board regularly provided consultation to the Company's management.

The Board has delegated certain of its authorities to various Board

Committees to focus on complex and specialised issues facing X Fund. These Committees make recommendations and report regularly to the Board who retains ultimate responsibility for all decisions taken. The Board Committees meet periodically (typically quarterly) to examine issues that fall within their respective mandate and report on their activities to the Board.

The Committee Members are appointed by the Board of Directors and hold office until otherwise determined by the Board of Directors or until they cease to be Directors. The CEO of the Company and representatives of the Investment Manager attend meetings as invitees and participate in the meetings through presentations of discussion documents and development of strategies.

Attendance at meetings of the Board and its committees as at December 31, 2025 is summarised below:

Directors	Board	Audit Committee	Investment Committee	Corporate Governance Committee
Number of meetings total - 17	6	4	6	1
Stephen McNamara	6			1
Peter Pearson	6	4		1
Howard Mitchell	6	4	6	1
Bruce James	5		5	
John Bailey	5	3	5	
Colin Steele	6		6	
Dr. Marjorie Fyffe-Campbell	1			

Directors' Remuneration

The Board determines the level and structure of fees paid to Non-executive Directors; Executive Directors do not receive fees in respect of their office as Directors of the Company or its subsidiaries. The level of fees is in line with other listed companies. Fees are paid quarterly based on an annual retainer. A total of \$23,569,000.00 was paid as directors' fees in 2025.

Board/Committee JS	Annual Retainer	Audit Committee	Investment Committee	Corporate Governance Committee
Board Chairman	2,917,200.00			
Board Director (ALL)	2,059,200.00			
Committee Chair		1,415,700.00	1,287,000.00	862,400.00
Member of Committee		943,800.00	943,800.00	606,600.00

Board Sub-Committees

The Board of Directors of the X Fund Group have established three (3) committees - Audit, Investment and Corporate Governance. These Committees meet from time to time to ensure the ongoing review of the Group's corporate integrity and to examine issues that fall within their respective mandates. These Committees are responsible for ensuring X Fund's ability to achieve its strategic and operational objectives. Two (2) of these committees (Audit and Investment Committees) meet quarterly in the absence of any pressing matter or emergency. The Corporate Governance Committee is scheduled to meet at least twice annually.

Audit Committee

The Audit Committee is chaired by Mr. Peter Pearson with support from Mr. Howard Mitchell and Mr. John Bailey. The Committee has responsibility for safeguarding the shareholders' investment and the Company's value. It has overall responsibility for ensuring the Company maintains an ongoing system of internal control and risk management to provide it with reasonable assurance regarding effective and efficient operation, internal financial control and compliance with laws and regulations.

Investment Committee

The Investment Committee meets at least quarterly and comprises Mr. Howard Mitchell (Chairman), Mr. John Bailey, Mr. Colin Steele and Mr. Bruce James.

Corporate Governance Committee

The Corporate Governance Committee is chaired by Mr. Peter Pearson and supported by Mr. Stephen McNamara and Mr. Howard Mitchell.

Corporate Values

Corporate Governance is the task of a company's board to provide entrepreneurial leadership, guidance and oversight to the company for maximising shareholder wealth within the bounds of law and standards of ethical conduct. Effective corporate governance not only promotes transparency and accountability but also builds trust with investors, employees and the broader community. It is also the foundation of a healthy organisation as it sets the tone for how an organisation behaves both towards its internal and external stakeholders. The direction and momentum assumed by the governance process must be driven by a value system that permeates the organisation to ensure business

priority alignment between board and management. Commitment to these principles reinforces the X Fund Group's reputation and positions it as a responsible corporate entity.

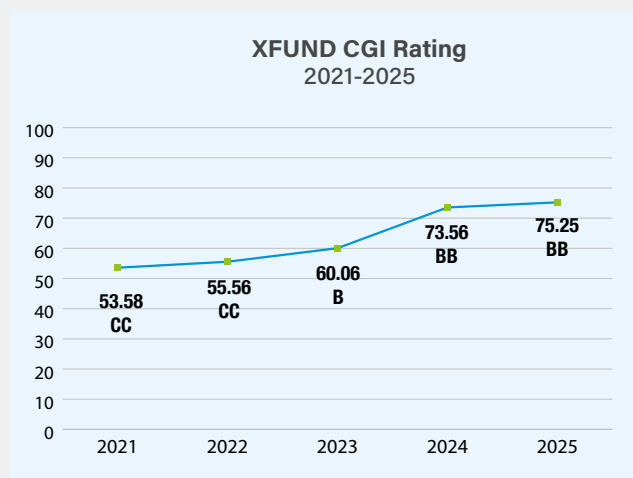


The primary purpose of the committees are to advise on issues related to the focus area for each committee. The key responsibilities of each committee are outlined as follows:

COMMITTEE	MEMBERS	KEY RESPONSIBILITIES
Audit Committee	Peter Pearson Howard Mitchell John Bailey	<ul style="list-style-type: none"> Monitored the adequacy and effectiveness of the Company's systems of risk management and control, the business risk assurance function and external auditors Reviewed the Company's annual and quarterly unaudited financial statements and related policies and assumptions, and any accompanying reports. Monitored and reviewed the effectiveness of the Company's internal audit function and fraud management Monitored and reviewed the external auditor's independence, objectivity and effectiveness
Corporate Governance Committee	Peter Pearson Stephen McNamara Howard Mitchell	<ul style="list-style-type: none"> Established and ensured adherence to procedures designed to identify potential conflicts of interest, prevent conflicts of interest and resolve them, if they occur Reviewed the annual Board evaluation, and initiated and assessed the outcome of the evaluations of the previous year or as the election and re-election procedures determine, and at such other times as any member of the Board may request
Investment Committee	Howard Mitchell Bruce James Colin Steele John Bailey	<ul style="list-style-type: none"> Ensured that the Company adhered to prudent standards in making investment and lending decisions and in managing its investments Approved the annual strategy for the Company Invested the Company's financial resources in keeping with the Investment Policy

Corporate Governance Index Assessment

In keeping with the Company's strategic initiative to improve its standard of governance, the Company has demonstrated a commitment to year over year implement policies and procedures aimed at achieving exemplary stewardship of the resources to which it is entrusted.



The Jamaica Stock Exchange (JSE) through its Corporate Governance Index Review Committee (CGIRC), measures listed companies' conformity to various accepted principles of corporate governance and to aggregate the corporate governance of all listed companies. This is measured and determined as the corporate governance index.

Sagicor Real Estate X Fund Limited has demonstrated marked improvement over the last 5 years of corporate governance index assessments. Having moved from a rating of "CC" in 2021 to "BB" in 2025, the objective of the company is to continue along the trajectory to constantly improve its governance status.

Conflict of Interest

Under the Corporate Governance Policy, the Directors make annual declarations of any personal interest he or she may have (whether directly or indirectly) which may have an impact on any matters being considered by the Board. A standard agenda item for each Board and Committee meeting is for a declaration by each Director in relation to conflicts of interest.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE STATEMENT

**Environmental
Management**

(ISO 14001:2015)

**Resource
Conservation**

**Sustainable
Sourcing**

**Quality
Management**

(ISO 9001:2015)

**Community
Impact**

**Guest and
Employee
Engagement**

ESG reporting is the disclosure of information covering an organisation's operations as it relates to environmental, social and corporate governance.

Please note the disclosure below:

Sagicor Real Estate X Fund

Sagicor Real Estate X Fund Limited (X Fund) has engaged Sagicor Property Services (SPS) to manage and operate its direct and indirect real estate assets domiciled in Jamaica.

In 2025, SPS achieved ISO certification in the following areas:

- Quality Management (ISO 9001:2015), and
- Environmental Management (ISO 14001:2015)

Attaining ISO certification underscores the managers' commitment to ESG investing, with the principles of environmental and governance operating at global best standards. X Fund's shareholders will benefit from the management of existing properties and future developments which fall under the management of SPS.

DoubleTree by Hilton (X Fund Properties LLC)

Doubletree at the Entrance to Universal Orlando (DTO) is committed to environmental stewardship and sustainable practices across all aspects of its operations. The hotel recognises its responsibility to protect the natural resources and biodiversity of the communities in which it operates, while providing exceptional experiences for guests. The Environmental Policy is guided by the following principles:

Environmental Management

- Compliance with all applicable environmental laws and regulations and striving to exceed them where possible.
- Utilisation of a comprehensive environmental management system to measure, monitor and continuously improve environmental performance.
- Setting of annual environmental objectives and targets for energy, water, waste and carbon emissions reduction.

Resource Conservation

- Implementation of energy-efficiency measures and prioritisation of renewable energy sources, where feasible.
- Practising water conservation through low-flow fixtures, linen reuse programmes and other water-saving initiatives.
- Actively working to reduce waste generation, increase recycling and composting, and responsibly managing hazardous materials.

Sustainable Sourcing

- Prioritising locally sourced and sustainably produced food, beverages and supplies.
- Partnering with environmentally responsible suppliers and considering sustainability in purchasing decisions.

Guest and Employee Engagement

- Educating and empowering employees to be environmental stewards through training programmes.
- Engaging guests in sustainability efforts and providing opportunities for them to participate in environmental initiatives.

Community Impact

- Supporting local environmental conservation projects and participating in community sustainability initiatives.

- Striving to minimise impact on local ecosystems and biodiversity.

DTO is committed to transparency in its environmental efforts and to continually improving its sustainability practices. Through these actions, DTO aims to be a leader in sustainable hospitality, contributing to a more environmentally responsible future for the hotel industry and the planet.

The Strand (X Fund Properties Limited)

As owners of units at The Strand, X Fund Properties Limited is committed to operating and maintaining its assets in a responsible, sustainable and ethical manner that creates long-term value for tenants, visitors, stakeholders and the broader community.

Environmental Responsibility

The commitment to environmental responsibility includes reducing energy and water consumption, promoting waste reduction and recycling programmes, and supporting the adoption of renewable energy, where feasible. It also extends to working closely with the property managers, tenants and service providers to encourage environmentally conscious behaviours and continuously seek opportunities to improve building performance and resilience.

Social Commitment

The approach is to foster a safe, inclusive and engaging environment for all tenants and visitors, prioritising health and safety, accessibility and community well-being. The property manager is encouraged to support fair labour practices, diversity and inclusion across all aspects of The Strand's operations.

Governance and Ethics

The property manager is required to uphold the highest standards of integrity, transparency and accountability in management practices on which it is evaluated on an annual basis to ensure alignment with the governance framework and compliance with all applicable laws and regulations. Clear communication with stakeholders and the implementation of practices and systems that safeguard data privacy, financial responsibility and operational excellence are the hallmarks of operations at The Strand.



POST YEAR-END EVENT



APPROVAL OF REDUCTION IN SHARE CAPITAL

Sagikor Real Estate X Fund Limited (“the Company”) hereby advises that at a meeting of its Board of Directors held on March 30, 2026, the Board of Directors approved a resolution to reduce the Company’s surplus on ordinary shares for the purpose of eliminating the accumulated deficit reflected in retained earnings in the Company’s stand-alone financial statements for the year ended December 31, 2025.

The Board determined that the adjustment is appropriate to regularise the presentation of the Company’s equity accounts, having regard to the Company’s audited financial statements. The approved adjustment represents an accounting reclassification within shareholders’ equity, whereby amounts standing to the credit of surplus on ordinary shares will be applied to eliminate the negative balance in retained earnings.

The Company confirms that:

- The adjustment does not involve any cash distribution or dividend payment to shareholders.

- There will be no change to the Company’s total shareholders’ equity.
- The adjustment will not affect the Company’s assets, liabilities, or financial position, other than the presentation of the equity accounts.
- The Company will undertake any required corporate and regulatory filings under applicable law to give effect to the resolution.

The Board believes that this adjustment will result in a more appropriate presentation of the Company’s capital structure in its financial statements going forward.

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Independent auditors' report

To the Shareholders of Sagicor Real Estate X Fund Limited

Report on the audit of the consolidated and stand-alone financial statements

Our opinion

In our opinion, the consolidated financial statements and the stand-alone financial statements present fairly, in all material respects, the consolidated financial position of Sagicor Real Estate X Fund Limited (the Company) and its subsidiaries (together 'the Group') and the stand-alone financial position of the Company as at 31 December 2025, and their consolidated and stand-alone financial performance and their consolidated and stand-alone cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

Sagicor Real Estate X Fund Limited 's consolidated and stand-alone financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in stockholders' equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the company statement of financial position as at 31 December 2025;
- the company statement of comprehensive income for the year then ended;
- the company statement of changes in stockholders' equity for the year then ended;

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P.O. Box BW 304, Gros Islet, St. Lucia, West Indies
T: (758) 722 6700

- the company statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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 consolidated and stand-alone financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and stand-alone financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and stand-alone financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and stand-alone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters, as it pertains to the stand-alone financial statements, in our report.

Key audit matter**How our audit addressed the key audit matter****Valuation of owner-managed hotel property (Group)**

Refer to Notes 2 (m), 3 (b) and 16 to the financial statements for disclosures of related accounting policies and balances.

Owner-managed hotel property represents \$18.7 billion or 62% of total assets for the Group as at the end of the reporting period.

The determination of the fair value of the hotel property requires significant judgement and is inherently subjective due to, among other factors, the individual nature of the property, the location of the property and the expected future revenues from room as well as food and beverage sales.

Management, with the assistance of independent valuation experts, used the income capitalisation approach, which consists of a discounted cash flow forecast to value the owner-managed hotel property. The income capitalisation approach considers the following key assumptions:

- capitalisation rate;
- discount rate; and
- estimation of revenue from room revenue and food and beverage sales.

We considered this a key audit matter as changes in key assumptions may have a significant impact on the carrying value of owner-managed hotel property.

Our approach to addressing the matter, with the assistance of our valuation experts, included the following procedures amongst others:

- Evaluated the competence and objectivity of management's experts in order to determine whether they were appropriately qualified and whether there was any affiliation to the Group.
- Obtained an understanding of the valuation methods used by management along with significant developments within the industry. This included evaluating the appropriateness of the valuation methodology used and its suitability for determining market value in accordance with the financial reporting framework.
- Compared management's discount and capitalisation rates to those of comparable companies taking into account entity and industry risk factors as well as historical financial information.
- Evaluated the estimation of revenue from future room and food and beverage sales by analysing the local market for transient accommodations, examining existing and proposed competition, and developing a forecast of income and expense that reflects current and anticipated income trends and cost components.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated and stand-alone financial statements and our auditors' report thereon), which is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated and stand-alone 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 consolidated and stand-alone 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 consolidated and stand-alone 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 those charged with governance.

Responsibilities of management and those charged with governance for the consolidated and stand-alone financial statements

Management is responsible for the preparation and fair presentation of the consolidated and stand-alone financial statements in accordance with IFRS Accounting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated and stand-alone financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and stand-alone financial statements, management is responsible for assessing the Group and Company'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 Group or the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

Auditors' responsibilities for the audit of the consolidated and stand-alone financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and stand-alone 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 consolidated and stand-alone financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and stand-alone 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 Group and Company'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 Group or Company'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 consolidated and stand-alone 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 Group or Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 to 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 consolidated and stand-alone 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 matter 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.

The engagement leader on the audit resulting in this independent auditors' report is Charissa Andrews.

The logo for PricewaterhouseCoopers, featuring the company name in a stylized, handwritten-style font.

Castries, St. Lucia

27 February 2026

Consolidated Statement of Comprehensive Income

Year ended 31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2025 \$'000	2024 \$'000
Revenues:			
Net investment income	8	485,626	539,031
Net capital gains/(losses) on financial assets and liabilities	8	337,320	(89,333)
Hotel revenue	8	7,639,296	7,332,155
Other income		20,813	18,920
Total revenue		<u>8,483,055</u>	<u>7,800,773</u>
Expenses:			
Direct expenses	9(a)	(2,577,760)	(2,452,343)
Administration and other operating expenses	9(b)	(4,297,943)	(4,283,085)
Operating expenses		<u>(6,875,703)</u>	<u>(6,735,428)</u>
Operating profit		1,607,352	1,065,345
Finance costs	11	(246,310)	(313,197)
Profit before taxation		1,361,042	752,148
Taxation	12	(352,730)	(295,446)
Net profit		1,008,312	456,702
Other comprehensive income -			
<i>Items that may be subsequently reclassified to profit or loss -</i>			
Re-translation of foreign operation		310,266	111,020
<i>Items that will not be subsequently reclassified to profit or loss -</i>			
Revaluation of land and buildings		210,070	674,754
Other comprehensive income for the year, net of taxes		<u>520,336</u>	<u>785,774</u>
Total comprehensive income for the year		<u>1,528,648</u>	<u>1,242,476</u>
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
Basic and fully diluted	13	<u>\$0.45</u>	<u>\$0.20</u>

The accompanying notes on pages 55 to 108 form an integral part of these financial statements.

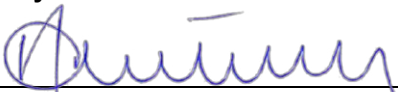
Consolidated Statement of Financial Position

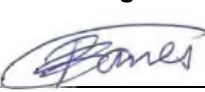
31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

Non-Current Assets	Note	2025 \$'000	2024 \$'000
Property, plant and equipment	16	18,653,935	17,847,043
Investment property	15	1,636,971	1,604,917
Investment in Sagicor Sigma Global Funds - Sigma Real Estate Portfolio	17	305,523	285,469
Financial investments	18	1,742,791	3,291,927
		<u>22,339,220</u>	<u>23,029,356</u>
Current Assets			
Inventories	19	60,178	76,349
Receivables	20	924,917	680,027
Financial investments	18	2,863,133	3,671,179
Securities purchased under agreements to resell	21	3,688,809	2,372,759
Cash resources	22	195,997	2,384,625
		<u>7,733,034</u>	<u>9,184,939</u>
Current Liabilities			
Payables	23(a)	646,013	583,725
Contract liabilities	23(b)	124,569	260,235
Borrowings	25	237,638	6,708,014
Taxation payable		51,775	185,672
		<u>1,059,995</u>	<u>7,737,646</u>
Net Current Assets			
		<u>6,673,039</u>	<u>1,447,293</u>
		<u>29,012,259</u>	<u>24,476,649</u>
Stockholders' Equity			
Share capital	27	12,642,512	12,642,512
Currency translation reserve	29(b)	2,565,302	2,255,036
Fair value and other reserves	29(a)	6,473,369	6,263,299
Retained earnings	30	1,918,274	909,962
Total Equity		<u>23,599,457</u>	<u>22,070,809</u>
Non-Current Liabilities			
Borrowings	25	2,874,061	-
Deferred income taxes	26	2,538,741	2,405,840
Total Liabilities		<u>5,412,802</u>	<u>2,405,840</u>
Total Equity and Liabilities		<u>29,012,259</u>	<u>24,476,649</u>

Approved for issue by the Board of Directors on 27 February 2026 and signed on its behalf by:

Howard Mitchell  Chairman

Bruce James  Director

The accompanying notes on pages 55 to 108 form an integral part of these financial statements.

Consolidated Statement of Changes in Stockholders' Equity

Year ended 31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Share Capital Note 27	Currency Translation Reserve Note 29	Fair Value and Other Reserves Note 29	Retained Earnings Note 30	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2024	12,642,512	2,144,016	5,588,545	453,260	20,828,333
Net profit for the year	-	-	-	456,702	456,702
Unrealised gain on revaluation of property, plant and equipment	-	-	674,754	-	674,754
Re-translation of foreign operations	-	111,020	-	-	111,020
Total comprehensive income	-	111,020	674,754	456,702	1,242,476
Balance at 31 December 2024	12,642,512	2,255,036	6,263,299	909,962	22,070,809
Net profit for the year	-	-	-	1,008,312	1,008,312
Unrealised gain on revaluation of property, plant and equipment	-	-	210,070	-	210,070
Re-translation of foreign operations	-	310,266	-	-	310,266
Total comprehensive income	-	310,266	210,070	1,008,312	1,528,648
Balance at 31 December 2025	12,642,512	2,565,302	6,473,369	1,918,274	23,599,457

The accompanying notes on pages 55 to 108 form an integral part of these financial statements.

Consolidated Statement of Cash Flows

Year ended 31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2025 \$'000	2024 \$'000
Cash Flows from Operating Activities			
Net cash provided by/(used in) operating activities	32	922,592	(753,337)
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	16	(769,509)	(156,607)
Purchase of investments		(1,251,479)	(890,910)
Proceeds from sale of investments		2,967,645	1,052,181
Restricted cash		1,939,592	(431,530)
Interest received		265,720	413,499
Net cash provided by/(used in) investing activities		<u>3,151,969</u>	<u>(13,367)</u>
Cash Flows from Financing Activities			
Loan repayment		(6,791,013)	(170,880)
Loan proceeds		3,093,251	-
Interest paid		(284,863)	(335,544)
Net cash used in financing activities		<u>(3,982,625)</u>	<u>(506,424)</u>
Increase /(decrease) in cash and cash equivalents		91,936	(1,273,128)
Effect of exchange gains on cash and cash equivalents		105,770	48,937
Cash and cash equivalents at beginning of year		<u>4,509,513</u>	<u>5,733,704</u>
Cash and Cash Equivalents at year end	22	<u><u>4,707,219</u></u>	<u><u>4,509,513</u></u>

The accompanying notes on pages 55 to 108 form an integral part of these financial statements.

Company Statement of Comprehensive Income

Year ended 31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2025 \$'000	2024 \$'000
Revenues			
Net investment income	8	688	2,958
Net capital gains on financial assets and liabilities	8	1,771	2,033
Other		-	16
		<u>2,459</u>	<u>5,007</u>
Administration and other operating expenses	9(b)	<u>(44,433)</u>	<u>(280,453)</u>
Operating loss before taxation		(41,974)	(275,446)
Taxation	12	-	-
Net loss, being total comprehensive loss for the year		<u>(41,974)</u>	<u>(275,446)</u>

The accompanying notes on pages 55 to 108 form an integral part of these financial statements.

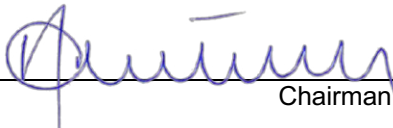
Company Statement of Financial Position

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2025 \$'000	2024 \$'000
Non-Current Assets			
Investment in subsidiaries	14	9,518,204	9,518,204
Deferred income taxes	26	744	744
		<u>9,518,948</u>	<u>9,518,948</u>
Current Assets			
Receivables	20	17	-
Securities purchased under agreement to resell	21	30,035	33,510
Cash resources	22	1,172	1,186
		31,224	34,696
Current Liabilities			
Payables	23	115,228	76,726
Net Current Liabilities			
		<u>(84,004)</u>	<u>(42,030)</u>
		<u>9,434,944</u>	<u>9,476,918</u>
Stockholders' Equity			
Share capital	27	12,642,512	12,642,512
Accumulated deficit	30	(3,207,568)	(3,165,594)
Total Equity		<u>9,434,944</u>	<u>9,476,918</u>
Total Equity and Liability			
		<u>9,434,944</u>	<u>9,476,918</u>

Approved for issue by the Board of Directors on 27 February 2026 and signed on its behalf by:

Howard Mitchell  Chairman

Bruce James  Director

The accompanying notes on pages 55 to 108 form an integral part of these financial statements.

Company Statement of Changes in Stockholders' Equity

Year ended 31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Share Capital \$'000 Note 27 \$'000	Accumulated Deficit \$'000 Note 30 \$'000	Total \$'000 \$'000
Balance at 1 January 2024	12,642,512	(2,890,148)	9,752,364
Net loss, being total comprehensive loss for the year	-	(275,446)	(275,446)
Balance at 31 December 2024	12,642,512	(3,165,594)	9,476,918
Net loss, being total comprehensive loss for the year	-	(41,974)	(41,974)
Balance at 31 December 2025	12,642,512	(3,207,568)	9,434,944

The accompanying notes on pages 55 to 108 form an integral part of these financial statements.

Company Statement of Cash Flows

Year ended 31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2025 \$'000	2024 \$'000
Cash Flows from Operating Activities			
Net loss for the year		(41,974)	(275,446)
Items not affecting cash:			
Interest income	8	(688)	(2,958)
Effect of exchange gains on foreign currency balances		(649)	(2,551)
		<u>(43,311)</u>	<u>(280,955)</u>
Change in operating assets and liabilities:			
Receivables		(17)	-
Payables		(23,604)	(4,916)
Related parties		62,107	23,157
Net cash used in operating activities		<u>(4,825)</u>	<u>(262,714)</u>
Cash Flows from Investing Activity			
Interest received		619	3,012
Net cash provided by investing activity		<u>619</u>	<u>3,012</u>
Decrease in cash and cash equivalents		(4,206)	(259,702)
Effect of exchange gains on cash and cash equivalents		649	2,552
Cash and cash equivalents at beginning of year		<u>34,688</u>	<u>291,838</u>
Cash and Cash Equivalents at year end	22	<u><u>31,131</u></u>	<u><u>34,688</u></u>

The accompanying notes on pages 55 to 108 form an integral part of these financial statements.

Notes to the Financial Statements

31 December 2025

expressed in Jamaican dollars unless otherwise indicated

1. Identification and Principal Activities

- (a) Sagicor Real Estate X Fund Limited (The Company”), was incorporated on May 31, 2011 with the name Sagicor X Funds SPC Ltd, as an international business company under the International Business Companies Act, Cap. 12.14 of the Revised Laws of Saint Lucia. On February 28, 2013, the Company changed its name to Sagicor Real Estate X Fund Limited (“X Fund”).

The Company is 65.34% owned by the Sagicor Pooled Investments Funds Limited, which is administered by Sagicor Life Jamaica Limited (SLJL). Effective, October 1, 2018 the Company became a subsidiary of Sagicor Group Jamaica Limited (SGJL) as SGJL owned 29.2% and had significant representation on the Board of Directors. In 2022, SGJL sold its 29.2% interest in X Fund thus resulting in the company no longer being a subsidiary of SGJL.

The Company’s main business activity is to invest in hotel and commercial real estate activities.

On 27 February 2026, the Board of Directors approved the consolidated financial statements and authorised them for issue. The Board of Directors has the power to amend the financial statements after issue.

- (b) On December 1, 2014, X Fund Properties Limited was formed and is a wholly owned subsidiary of X Fund. X Fund Properties Limited is incorporated and domiciled in Jamaica and has coterminous year with its parent Company.
- (c) On July 31, 2015, X Fund Properties Limited established a wholly owned subsidiary, X Fund Properties LLC. X Fund Properties LLC is incorporated and domiciled in Delaware, USA and has coterminous year with its parent company. Its main business activity is the operation of the DoubleTree Hotel in Orlando, Florida (the DoubleTree).
- (d) The Company’s subsidiaries which together with the Company are referred to as “the Group”, are as follows:

Subsidiaries	Incorporation in	Principal Activities	Holdings held by Company %
X Fund Properties Limited	Jamaica	Hospitality and real estate investment	100
X Fund Properties LLC	USA	Hospitality	100

Notes to the Financial Statements

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(expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Principal Activities (Continued)

(e) *Management agreements*

(i) Aimbridge Hospitality LLC

The Group renewed the property management agreement with Aimbridge Hospitality LLC to manage the hotel property DoubleTree Orlando on September 4, 2025. The property management agreement has an initial term of five years and may be extended or shortened in accordance with the property management agreement. The management agreement may be terminated prior to the expiration of the initial term upon the sale of the hotel to a bona fide third-party purchaser, an event of default as defined in the property management agreement, or if a predetermined performance standard is not satisfied. Aimbridge Hospitality LLC is entitled to receive a base management fee equal to 1.50% of total hotel revenues, as defined. For the year ended 31 December 2025 the Group recognised property management fees of \$148,681,000 (2024 - \$157,717,000). The Group reimburses Aimbridge for expenses incurred relating to hotel operations. For the year ended 31 December 2025, the Group incurred reimbursable expenses of \$601,941,000 (2024 - \$566,476,000).

(ii) Sagicor Property Services Limited

Effective September 2023, the Group entered into a management services agreement with Sagicor Property Services Limited to provide investment advice, property management, and consultancy services. Sagicor Property Services Limited is entitled to receive annual fee of 1.25% of net average assets to 31 December 2024 and 1.5% thereafter. Sagicor Property Services is also to receive an incentive based on the Group's performance as defined. The agreement is in full force until terminated by either party, providing the required notice period or if the predetermined conditions are not met. For the year ended 31 December 2025 the Group recorded management service cost of \$398,869,000 (2024 - \$369,533,000). During the prior year, Sagicor Property Services Limited entered into a property management agreement with BCQS Property Management Limited to manage a block of units purchased at The Strand in Cayman. The agreement can be terminated by either party provided that the predetermined conditions are satisfied. The Group reimburses Sagicor Property Services Limited for the contractual service fees as per the agreement. For the year ended 31 December 2025, the Group incurred reimbursable expenses of \$ Nil (2024 - \$ 747,000).

Notes to the Financial Statements

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(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

IFRS Accounting Standards

IAS Standards

Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

These consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of property plant and equipment, investment assets and investment properties.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Standards, interpretations and amendments to published standards effective in the current year

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The Group has assessed the relevance of all such new interpretations and amendments, and has adopted the following, which are relevant to its operations.

Amendments to IAS 21 - Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025). An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. These amendments did not have any significant impact on the Group's financial statements.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued which are mandatory for the Group's accounting periods beginning on or after 1 January 2026 and were not effective at the statement of financial position date. The Group having assessed the relevance of all such new standards, interpretations and amendments, has determined that the following may be relevant to its operations, and has concluded as follows:

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (Continued)

(a) Basis of preparation (Continued)

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments, (effective for annual periods beginning on or after 1 January 2026). These amendments clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI). The Group is currently assessing the impact of these standards on the financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements, (effective for annual periods beginning on or after 1 January 2027). This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Group is currently assessing the impact of this standard on the financial statements.

Annual improvements to IFRS – Volume 11 , (effective for annual periods beginning on or after 1 January 2026). Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2025 amendments are to the following standards:

- 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.

The Group is currently assessing the impact of these amendments on the financial statements.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (Continued)

(a) Basis of preparation (Continued)

Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 - Disclosures about Uncertainties in the Financial Statements (effective for annual periods beginning on or after 1 January 2027). This document sets out amendments to the guidance accompanying several IFRS Accounting Standards, including IFRS 18 Presentation and Disclosure in Financial Statements and IAS 1 Presentation of Financial Statements. These amendments add to that guidance examples that illustrate how an entity applies the requirements in the Standards to report the effects of uncertainties in its financial statements. The Group is currently assessing the impact of this standard on the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027). This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The Group is currently assessing the impact of this standard.

Amendment to IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' (effective for annual periods beginning on or after 1 January 2027). These [amendments](#) help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically:

- IFRS 18 Presentation and Disclosure in Financial Statements;
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);
- International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12);
- Lack of Exchangeability (Amendments to IAS 21); and
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

In the future, IFRS 19 will be amended at the same time as the IASB issues or revises other IFRS Accounting Standards.

The Group is currently assessing the impact of these amendments.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

(b) Basis of consolidation

(i) *Subsidiaries*

Subsidiaries are entities over which the Group has control. The Group has control over an entity when the Group is exposed to the variable returns from its ownership interest in the entity and when the Group can effect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group, and subsidiaries are de-consolidated from the date on which control ceases.

All material intra-group balances, transactions and gains are eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

The Group uses the acquisition method of accounting when control over entities and insurance businesses is obtained by the Group. The cost of an acquisition is measured as the fair value of the identifiable assets given, the equity instruments issued and the liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date irrespective of the extent of any minority interest. Acquisition-related costs are expensed as incurred.

The excess of the cost of the acquisition, the non-controlling interest recognised and the fair value of any previously held equity interest in the acquiree, over the fair value of the net identifiable assets acquired is recorded as goodwill. If there is no excess and there is a shortfall, the Group reassesses the net identifiable assets acquired. If after reassessment, a shortfall remains, the acquisition is deemed to be a bargain purchase, and the shortfall is recognised in income as a gain on acquisition. Any non-controlling interest balances represent the equity in a subsidiary not attributable to X Fund's interests.

On an acquisition-by-acquisition basis, the Group recognises at the date of acquisition the components of any minority interest in the acquiree either at fair value or at the proportionate share of the acquiree's net identifiable assets. The latter option is only available if the minority interest component is entitled to a proportionate share of net identifiable assets of the acquiree in the event of liquidation.

Non-controlling interest balances are subsequently re-measured by the minority's proportionate share of changes in equity after the date of acquisition. Investments in subsidiaries are stated in the Company's financial statements at cost less impairment.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

(c) Segment reporting

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

(d) Foreign currency translation

(i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The consolidated financial statements are presented in Jamaican dollars, which is the Group's presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions that require settlement, in a foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary items denominated in foreign currency are translated with the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined. These rates represent the weighted average rates at which the Group trades in foreign currency.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in equity as gains or losses from qualifying cash flow hedging instruments.

All foreign exchange gains and losses recognised in the statement of comprehensive income are presented net in the statement of comprehensive income within the corresponding item. Foreign exchange gains and losses on other comprehensive income items are presented in other comprehensive income within the corresponding item.

(iii) *Group companies*

The results and financial position of all the Group's entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates at the dates of the transactions; and
- All resulting exchange differences are recognised as a separate component of stockholders' equity in the currency translation reserve.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

(d) Foreign currency translation (continued)

(iii) *Group companies (continued)*

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and borrowings are taken to stockholders' equity. When a foreign operation is sold, such exchange differences are recognised in the statement of comprehensive income as part of the gain or loss on sale.

(e) Revenue recognition

Revenues from service contracts with customers consist primarily of hotel revenue from guests reservations, management fees and rental income. These service contracts generally impose single performance obligations, each consisting of a series of similar related services to the guests. The Group's performance obligations within these service arrangements are generally satisfied over time as the guests receive and consume contracted benefits.

Revenue from service contracts with customers is recognised when (or as) the Group satisfies the performance obligation of the contract. For obligations satisfied over time, revenue is recognised daily over the reservation period. For performance obligations satisfied at a point in time, revenue is recognised at that point in time.

(i) *Interest income*

Interest income on financial assets at amortised costs and fair value through profit or loss is recognised in the income statement for all interest-bearing instruments on an accrual basis using the effective interest method.

(ii) *Gain or loss on sale of investment*

Gain or loss on the disposal or maturity of investment, is determined by comparing sale proceeds with the carrying amount of the investment. This amount is recognised in the income statement.

(iii) *Unrealised gains*

Unrealised gains or losses on appreciation or depreciation of value in Sigma Real Estate Portfolio and investment securities are recognised in income statement.

(iv) *Rental income*

Rental income is recognised on an accrual basis.

(f) Taxation

Taxation expense in the statement of comprehensive income comprises current and deferred tax charges. Current and deferred tax is charged or credited to profit in the statement of comprehensive income, except where they relate to items charged or credited to other comprehensive income or equity, in which case, they are also dealt with in other comprehensive income or equity.

Current tax charges are based on taxable profits for the year, which differ from the profit before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated at tax rates that have been enacted at year end.

Deferred tax is the tax expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

(f) Taxation (continued)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(g) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than 90 days maturity from the date of acquisition including cash on hand and deposits held at Group less bank overdrafts and restricted cash.

(h) Restricted Cash

Restricted cash represents funds legally restricted as to usage or withdrawal. Restricted cash includes reserves for insurance and real estate taxes for amounts to be paid in the future related to replacement of furniture, fixtures, and equipment as defined in the franchise agreement.

(i) Securities purchased under agreement to resell

The purchase of securities under resale agreements are treated as collateralised financing transactions and are recorded at the amount at which the securities were acquired. The related interest income was recorded on the accrual basis.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

(j) Financial assets

(i) *Classification of financial assets*

IFRS 9 introduces a principles-based approach to the classification of financial assets. Debt instruments, including hybrid contracts, are measured at fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") or amortised cost based on the nature of the cash flows of these assets and the Group's business model. Equity instruments are measured at FVTPL, unless they are not held for trading purposes, in which case an irrevocable election can be made on initial recognition to measure them at FVOCI with no subsequent reclassification to profit or loss.

Financial assets are measured on initial recognition at fair value and are classified as and subsequently measured at amortised cost or at FVTPL. Financial assets and liabilities are recognised when the Group becomes a party to the contractual provision of the instrument. Purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

Financial assets measured at amortised cost

Financial assets that are held to collect the contractual cash flows and that contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gains or loss arising on de-recognition is recognised directly in profit or loss and presented in net capital gains and financial assets and liabilities.

Financial assets measured at fair value through profit and loss

Financial assets that do not meet the criteria for amortised cost are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net with net capital gains and financial assets and liabilities in the period it arises. Interest income and interest earned on assets measured at fair value through profit and loss. Interest income is earned based on the effective interest rate based on the carrying amount before allowances. Interest earned on assets measured at fair value through profit and loss is recognised based on the effective interest rate. Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted effective interest rate (CAEIR). ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

(j) Financial assets (continued)

(i) *Classification of financial assets (continued)*

Business model assessment

Business models are determined at the level which best reflects how the Group manages portfolios of assets to achieve business objectives. Judgement is used in determining business models, which is supported by relevant, objective evidence including:

- The nature of liabilities, if any, grouping a portfolio of assets.
- The nature of the market of the assets in the country of origination of a portfolio of assets.
- How the Group intends to generate profits from holding a portfolio of assets.
- The historical and future expectations of asset sales within a portfolio.

Solely repayments of principal and interest (“SPPI”)

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments’ cash flows represent solely payments of principal and interest. In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial assets is classified and measured at FVTPL.

(i) *Impairment of financial assets measured at amortised cost*

IFRS 9 introduces an impairment model that requires the recognition of expected credit losses (“ECL”) on financial assets measured at amortised cost which were previously provided for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

At initial recognition, allowance (or provision in the case of some loan commitments and financial guarantees) is required for ECL resulting from default events that are possible within the next 12 months (or less, where the remaining life is less than 12 months) (‘12-month ECL’).

In the event of a significant increase in credit risk (SICR) an allowance (or provision) is required for ECL resulting from all possible default events over the expected life of the financial instrument (‘lifetime ECL’). Financial assets where 12-month ECL is recognised are considered to be ‘stage 1’; financial assets which are considered to have experienced a significant increase in credit risk are in ‘stage 2’; and financial assets for which there is objective evidence of impairment are considered to be in default or otherwise credit-impaired are in ‘stage 3’. Purchased or originated credit-impaired financial assets (“POCI”) are treated differently as set out below.

To determine whether the life-time credit risk has increased significantly since initial recognition, the Group considers reasonable and supportable information that is available including information from the past and forward-looking information. Factors such as whether payments of principal and interest are in default, an adverse change in credit rating of the borrower and adverse changes in the borrower’s industry and economic environment are considered in determining whether there has been a significant increase in the credit risk of the borrower.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

(j) Financial assets (continued)

(ii) Purchased or originated credit-impaired assets

Financial assets that are purchased or originated at a deep discount that reflects the incurred credit losses are considered to be POCI. This population includes the recognition of a new financial instrument following a renegotiation where concessions have been granted for economic or contractual reasons relating to the borrower's financial difficulty that otherwise would not have been considered. The amount of change-in-lifetime ECL is recognised in profit or loss until the POCI is derecognised, even if the lifetime ECL is less than the amount of ECL included in the estimated cash flows on initial recognition.

(iii) Definition of default

The Group determines that a financial instrument is credit-impaired and in stage 3 by considering relevant objective evidence, primarily whether:

- contractual payments of either principal or interest are past due for 90 days or more;
- there are other indications that the borrower is unlikely to pay such as that a concession has been granted to the borrower for economic or legal reasons relating to the borrower's financial condition; and
- the financial asset is otherwise considered to be in default.

If such unlikeliness to pay is not identified at an earlier stage, it is deemed to occur when an exposure is 90 days past due.

(iv) Write-off

Financial assets (and the related impairment allowances) are normally written off, either partially or in full, when there is no realistic prospect of recovery. In circumstances where the net realisable value of any collateral has been determined and there is no reasonable expectation of further recovery, write-off may be earlier.

(v) The general approach to recognising and measuring ECL

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money;
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Measurement

Expected credit losses are calculated by multiplying three main components, being the probability of default ("PD"), loss given default ("LGD") and the exposure at default ("EAD"), discounted at the original effective interest rate. Management has calculated these inputs based on the historical experience of the portfolios adjusted for the current point in time.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

(j) Financial assets (continued)

(v) *The general approach to recognising and measuring ECL (continued)*

The PD, LGD and EAD models which support these determinations are reviewed regularly in light of differences between loss estimates and actual loss experience, but given that IFRS 9 requirements have only just been applied, there has been little time available to make these comparisons. Therefore, the underlying models and their calibration, including how they react to forward-looking economic conditions remain subject to review and refinement. This is particularly relevant for lifetime PDs, which have not been previously used in regulatory modelling and for the incorporation of 'downside scenarios' which have not generally been subject to experience gained through stress testing. The exercise of judgement in making estimations requires the use of assumptions which are highly subjective and sensitive to the risk factors, in particular to changes in economic and credit conditions across a large number of geographical areas. Many of the factors have a high degree of interdependency and there is no single factor to which loan impairment allowances as a whole are sensitive. Therefore, sensitivities are considered in relation to key portfolios which are particularly sensitive to a few factors and the results should not be further extrapolated.

The main difference between Stage 1 and Stage 2 expected credit losses is the respective PD horizon. Stage 1 estimates will use a maximum of a 12-month PD while Stage 2 estimates will use a lifetime PD. Stage 3 estimates will continue to leverage existing processes for estimating losses on impaired loans, however, these processes will be updated to reflect the requirements of IFRS 9, including the requirement to consider multiple forward-looking scenarios. An expected credit loss estimate will be produced for each individual exposure, including amounts which are subject to a more simplified model for estimating expected credit losses.

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk must consider information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information will require significant judgment.

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk must consider information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions.

For defaulted financial assets, based on management's assessment of the borrower, a specific provision of expected life-time losses which incorporates collateral recoveries, is calculated and recorded as the ECL. The resulting ECL is the difference between the carrying amount and the present value of expected cash flows discounted at the original effective interest rate.

Forward looking information

The estimation and application of forward-looking information will require significant judgment. PD, LGD and EAD inputs used to estimate Stage 1 and Stage 2 credit loss allowances are modelled based on the macroeconomic variables (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

(j) Financial assets (continued)

(v) *The general approach to recognising and measuring ECL (continued)*

Each macroeconomic scenario used in the expected credit loss calculation will have forecasts of the relevant macroeconomic variables – including, but not limited to, unemployment rates and gross domestic product, for a three-year period, subsequently reverting to long-run averages. Our estimation of expected credit losses in Stage 1 and Stage 2 will be a discounted probability-weighted estimate that considers a minimum of three future macroeconomic scenarios. Our base case scenario will be based on macroeconomic forecasts where available. Upside and downside scenarios will be set relative to our base case scenario based on reasonably possible alternative macroeconomic conditions.

Scenario design, including the identification of additional downside scenarios will occur on at least an annual basis and more frequently if conditions warrant. Scenarios will be probability-weighted according to our best estimate of their relative likelihood based on historical frequency and current trends and conditions. Probability weights will be updated on a quarterly basis.

- (vi) A simplified approach to calculating the ECL is applied to contract and other receivables which do not contain a significant financing component. Generally, these receivables are due within 12 months unless there are extenuating circumstances. Under this approach, an estimate is made of the lifetime ECL on initial recognition (i.e. Stage 3). For ECL provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a Group are homogeneous.

(k) Inventories

Inventories are stated at the lower of average cost and net realisable value. Cost is determined using the average cost method. In the case of the Group, cost represents invoiced cost plus direct inventory-related expenses. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

(l) Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided in Note 2 (i).

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

(m) Property, plant and equipment

Property, plant and equipment, including owner-managed properties, are recorded at cost less accumulated depreciation. Cost represents the purchase price of the asset and other costs incurred to bring the asset into existing use. Subsequent to their initial recognition, property, plant and equipment are carried at revalued amounts. Revaluations are performed by independent qualified valuers annually.

Increases in the carrying values arising from the revaluations are credited to fair value reserve. Decreases in the carrying values arising from revaluations are first offset against increases from earlier revaluations in respect of the same assets and are thereafter charged to the statement of comprehensive income. All other decreases in carrying values are charged to the statement of comprehensive income. Any subsequent increases are credited to the statement of comprehensive income up to the respective amounts previously charged.

Revaluation surplus realised through the depreciation or disposal of revalued assets are retained in the fair value reserve and will not be available for offsetting against future revaluation losses. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Depreciation is calculated mainly on the straight-line basis at such rates as will write off the carrying value of the assets over the period of their expected useful lives which are estimated as follows:

Buildings	25 - 40 years
Furniture, fixtures and equipment	7-10 years
Computer equipment	3-5 years
Motor vehicles	5 years

Land is not depreciated. No depreciation is provided for construction in progress until they are completed and ready for use.

Property, plant and equipment are reviewed for possible impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amounts by which the carrying amount of a cash generating unit exceeds the higher of its fair value less costs to sell and its value in use, which is the estimated net present value of future cash flows to be derived from the cash generating unit.

Repairs and maintenance expenses are charged in arriving at profit or loss during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

Gains and losses on disposals of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining profit.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

(n) Impairment of non-financial assets

Property, plant and equipment and other assets, excluding goodwill, are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

(o) Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Contract liabilities are recognised when guests prepay for reservation.

(p) Leases

As lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease in a manner which reflects a constant periodic rate of return on the net investment in the lease.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similar owned assets. Rental income is recognised on a straight-line basis over the lease term.

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2. Summary of Material Accounting Policies (Continued)

(q) Financial liabilities

(i) *Classification of financial liabilities*

Financial liabilities are measured at initial recognition at fair value and are classified as and subsequently measured at amortised cost. Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

(ii) *Loans and debt obligations*

Bank overdrafts are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the statement of comprehensive income as finance cost.

(r) Share capital

Common shares which are non-redeemable, and for which the declaration of dividends is discretionary are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds. Shares are classified as equity when there is no obligation to transfer cash or other assets.

(s) Dividends

Dividends on ordinary shares are recognised in stockholders' equity in the period in which they are approved by the Group's Board of Directors.

(t) Fair value and other reserves

Carried in the fair value reserve and other reserves are the increase/decrease in the carrying value arising from the revaluations of property plant and equipment.

(u) Investment property

Investment property is held for long-term rental yields and is not occupied by the Group. Investment properties are initially recognised at cost including related transaction costs and subsequently measured at fair value. The fair value is determined annually by an external valuator. Any gain or loss arising from a change in fair value is recognised in the statement of comprehensive income.

(v) Related parties

Parties are considered related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Individuals, associates or companies that directly or indirectly control or are controlled by or are under common control with the Company are also considered related parties.

(w) Going concern

These Group and Company financial statements have been prepared on a going concern basis whereby it is assumed that the Group and the Company will realize its assets and assume its liabilities in the normal course of business.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

3. Critical Accounting Estimates and Judgements in Applying Accounting Policies

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

(a) Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies management has made no significant judgements regarding the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

The Group makes estimates and assumptions that affect the reported assets and liabilities within the next financial year. The resulting accounting estimates will, by definition, seldom equal the related actual results. Areas of key sources of estimation uncertainty include the following:

Income taxes

The Group is subject to income taxes. Significant judgement is required in determining the provision for income taxes. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Valuation of owner managed hotel property

Freehold land and buildings are carried in the statement of financial position at fair value. The changes in fair value for owner managed hotels are recognised in fair value reserve through other comprehensive income. The Group uses independent qualified property appraisers to value its land and buildings annually. Those fair values were derived using the income capitalization approach. This approach takes into consideration various assumptions and factors that require estimation and judgement. Assumptions are made about key factors, in particular capitalisation rate, discount rate and revenue from room revenue and food and beverage sales. A change in any of these assumptions and factors could have a significant impact on the carrying value of the owner managed hotel property.

Valuation of investment property

Investment properties are carried in the statement of financial position at market value. The Group uses independent qualified property appraisers to value its investment properties annually, generally using the investment approach and the comparative approach. The income approach is based on the principle of anticipation that recognizes the present value of the future income benefits to be derived from ownership in the property while the comparative approach is based on the analysis of sales of comparable properties in the market, with the valuer making appropriate adjustments to reflect differences in such factors as location, age, condition, valuation dates etc between the comparable property and the subject of the valuation, in order to arrive at an appropriate opinion of value for the subject property.

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4. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

(a) Credit risk

The Group takes on exposure to credit risk, which is the risk that its customers or counterparties will cause a financial loss for the Group by failing to discharge their contractual obligations. Credit risk is a very important risk for the Group's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the Group's receivables from customers and investment activities. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties and to geographical and industry segments.

Credit review process

The Sagicor Property Services investment manager, Sagicor Life Jamaica Limited, manages the Group's exposure to credit risk relating to investments by reviewing the ongoing financial status of each counterparty and makes recommendation to the investment committee. The investment manager's finance department has responsibility for conducting credit reviews for customers through regular analysis of the ability of financial institutions and other counterparties to meet repayment obligations.

Investments

The Group limits its exposure to credit risk by investing in liquid securities, with counterparties that have high credit quality. All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Receivables

The Group exposure to credit risk is influenced mainly by the individual characteristics of each customer. The investment manager's finance department assesses the credit worthiness of customers prior to the Group offering them a credit facility. Customers credit risk is monitored according to their credit characteristics such as whether it is an individual or company, geographic location, industry, aging profile, and previous financial difficulties.

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4. Financial Risk Management (Continued)

(a) Credit risk (continued)

Maximum exposure to credit risk

The Group and Company's maximum exposure to credit risk at the year-end were as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Trade receivables (Note 20)	165,358	266,139	-	-
Financial investments (Note 18)	4,605,924	6,963,106	-	-
Securities purchased under agreement to resell (Note 21)	3,688,809	2,372,759	30,035	33,510
Cash and cash equivalent (excluding cash on hand) (Note 22)	193,522	2,377,053	1,172	1,186
	<u>8,653,613</u>	<u>11,979,057</u>	<u>31,207</u>	<u>34,696</u>

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4. Financial Risk Management (Continued)

(a) Credit risk (continued)

Impairment of financial assets

The Group has financial assets that are subject to the expected credit loss model:

- i. Trade receivables for the provision of services, and
- ii. Other receivables

While cash at bank is also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

i. Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, the Group first considers whether any individual customer accounts require specific provisions. Loss rates are then assigned to these accounts based on an internal risk rating system considering various qualitative and quantitative factors. All other non-specific trade receivables are then grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2025 and 31 December 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomics factors affecting the ability of the customers to settle the receivables. The Group has identified the inflation and foreign exchange rate of the country in which it sells services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows for trade receivables:

The Group		More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
31 December 2025	Current				
	0.00%	0.00%	0.00%	31.53%	2.68%
Gross carrying amount \$'000	<u>139,944</u>	<u>14,586</u>	<u>923</u>	<u>14,467</u>	<u>169,920</u>
Loss allowance provision \$'000	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,562</u>	<u>4,562</u>
The Group		More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
31 December 2024	Current				
	0.00%	0.00%	0.00%	96.54%	3.16%
Gross carrying amount \$'000	<u>226,634</u>	<u>32,512</u>	<u>6,682</u>	<u>8,997</u>	<u>274,825</u>
Loss allowance provision \$'000	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,686</u>	<u>8,686</u>

The creation and release of provision for impaired receivables have been included in administration expenses in statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

Notes to the Financial Statements

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(expressed in Jamaican dollars unless otherwise indicated)

4. Financial Risk Management (Continued)

(a) **Credit risk (continued)**
Impairment of financial assets (continued)
 i. **Trade receivables (continued)**

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of receivables. The Group addresses impairment assessment in two areas: individually assessed allowances and collectively assessed allowances. The Group's average credit period on the sale of service is 30 days. The Group has provided fully for all trade receivables that are over 90 days past due based on historical experience which dictates that amounts past due beyond 90 days are generally not recoverable.

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

Analysis of trade receivables

The following table summarises the Group's credit exposure for trade receivables at their carrying amounts, as categorised by customer sector:

	The Group	
	2025	2024
	\$'000	\$'000
Travel agents	74,042	125,676
Other	95,878	149,149
	<u>169,920</u>	<u>274,825</u>
Less: Impairment loss	<u>(4,562)</u>	<u>(8,686)</u>
	<u><u>165,358</u></u>	<u><u>266,139</u></u>

The closing loss allowance provision for trade receivables as at 31 December 2025 and 2024 reconciles to the opening loss allowance for that provision as follows:

	The Group	
	2025	2024
	\$'000	\$'000
Opening loss allowance at 1 January	8,686	5,479
Impairment losses:		
Increase in loss allowance	-	3,207
Unused amounts reversed	<u>(4,124)</u>	<u>-</u>
At 31 December	<u><u>4,562</u></u>	<u><u>8,686</u></u>

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4. Financial Risk Management (Continued)

(a) Credit risk (continued) Impairment of financial assets (continued)

Net impairment losses/reversals on financial assets recognised in profit or loss

During the year, the following losses were recognised in the statement of comprehensive income in administration expenses in relation to impaired financial assets:

	The Group	
	2025	2024
	\$'000	\$'000
Movement in loss allowance for trade receivables	(4,124)	3,207
	<u>(4,124)</u>	<u>3,207</u>

(b) Liquidity risk

Liquidity risk is the risk that the Group may be unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of grouping through an adequate amount of committed credit facilities and the ability to close out market positions. The Group's liquidity management process includes monitoring future cash flows and liquidity on a daily basis.

Liquidity risk management process

The Group's liquidity management process, as carried out and monitored by the Finance Department, includes:

- (i) Monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure financing required.
- (ii) Maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- (iii) Optimising cash returns on investments;

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the Group and its exposure to changes in interest rates and exchange rates.

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4. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

Undiscounted cash flows of financial liabilities

The maturity profile of the Group and the Company's financial liabilities at year end based on contractual undiscounted payments was as follows:

	The Group			
	1 to 12	1 to 5	Over	Total
	Months	Years	5 Years	
31 December 2025	\$000	\$000	\$000	\$000
Payables	588,311	-	-	588,311
Borrowings	428,260	1,713,039	2,141,298	4,282,597
	<u>1,016,571</u>	<u>1,713,039</u>	<u>2,141,298</u>	<u>4,870,908</u>

	The Company			
	1 to 12	1 to 5	Over	Total
	Months	Years	5 Years	
31 December 2025	\$000	\$000	\$000	\$000
Payables	115,228	-	-	115,228
	<u>115,228</u>	<u>-</u>	<u>-</u>	<u>115,228</u>

	The Group			
	1 to 12	1 to 5	Over	Total
	Months	Years	5 Years	
31 December 2024	\$000	\$000	\$000	\$000
Payables	522,422	-	-	522,422
Borrowings	6,978,854	-	-	6,978,854
	<u>7,501,276</u>	<u>-</u>	<u>-</u>	<u>7,501,276</u>

	The Company			
	1 to 12	1 to 5	Over	Total
	Months	Years	5 Years	
31 December 2024	\$000	\$000	\$000	\$000
Payables	76,726	-	-	76,726
	<u>76,726</u>	<u>-</u>	<u>-</u>	<u>76,726</u>

Notes to the Financial Statements

31 December 2025

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4. Financial Risk Management (Continued)

(c) Market risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk exposures are measured using sensitivity analysis.

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

(i) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk arising mainly from the US dollar currency exposure. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The Group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The Group further manages this risk by maximising foreign currency earnings and holding foreign currency balances. Payments of foreign liabilities are also made timely.

Concentration of currency risk

The table below summaries the Group and Company exposure to foreign currency exchange rate risk at 31 December.

	The Group		
	2025		
	J\$ J\$'000	US\$ J\$'000	Total J\$'000
Financial Assets			
Financial investments excluding units in Sigma Global Funds	139,755	8,154,978	8,294,733
Investment in Sagicor Sigma Global Funds – Sigma Real Estate Portfolio	305,523	-	305,523
Cash resources	3,021	190,501	193,522
Receivables	-	165,358	165,358
Total financial assets	448,299	8,510,837	8,959,136
Financial Liabilities			
Payables	143,656	444,655	588,311
Borrowings	-	3,196,165	3,196,165
Total financial liabilities	143,656	3,640,820	3,784,476
Net financial position	304,643	4,870,017	5,174,660

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4. Financial Risk Management (Continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Concentration of currency risk (continued)

	The Company		
	2025		
	J\$ J\$'000	US\$ J\$'000	Total J\$'000
Financial Assets			
Securities purchased under agreement to resell	2,821	27,214	30,035
Cash resources	1,172	-	1,172
Total financial assets	3,993	27,214	31,207
Financial Liabilities			
Payables	115,228	-	115,228
Total financial liabilities	115,228	-	115,228
Net financial position	(111,235)	27,214	(84,021)

Notes to the Financial Statements

31 December 2025

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4. Financial Risk Management (Continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Concentration of currency risk (continued)

	The Group		
	2024		
	J\$ J\$'000	US\$ J\$'000	Total J\$'000
Financial Assets			
Financial investments excluding units in Sigma Global Funds	401,401	8,934,464	9,335,865
Investment in Sagicor Sigma Global Funds – Sigma Real Estate Portfolio	285,469	-	285,469
Cash resources	4,749	2,372,304	2,377,053
Receivables	-	266,139	266,139
Total financial assets	691,619	11,572,907	12,264,526
Financial Liabilities			
Payables	143,831	378,591	522,422
Borrowings	-	6,680,579	6,680,579
Total financial liabilities	143,831	7,059,170	7,203,001
Net financial position	547,788	4,513,737	5,061,525
	The Company		
	2024		
	J\$ J\$'000	US\$ J\$'000	Total J\$'000
Financial Assets			
Financial assets at fair value through profit and loss and securities purchased under agreement to resell	4,274	29,236	33,510
Cash resources	1,186	-	1,186
Total financial assets	5,460	29,236	34,696
Financial Liabilities			
Payables	76,726	-	76,726
Total financial liabilities	76,726	-	76,726
Net financial position	(71,266)	29,236	(42,030)

Foreign currency sensitivity

The following table indicates the currencies to which the Group and Company had significant exposure on its monetary assets and liabilities and its forecast cash flows. The change in currency rate below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for changes in foreign currency rates. The sensitivity of the profit was as a result of foreign exchange gains/losses on translation of US dollar denominated receivables, trade payables, borrowings, investment securities and cash and cash equivalent balances.

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4. Financial Risk Management (Continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Concentration of currency risk (continued)

	The Group			
	Change in Currency Rate	Effect on Pre-tax Profit	Change in Currency Rate	Effect on Pre- tax Profit
	2025 %	2025 \$'000	2024 %	2024 \$'000
Currency: USD				
Revaluation	1	(53,121)	1	(52,709)
Devaluation	4	212,485	4	210,835

	The Company			
	Change in Currency Rate	Effect on Pre-tax Loss	Change in Currency Rate	Effect on Pre- tax Loss
	2025 %	2025 \$'000	2024 %	2024 \$'000
Currency: USD				
Revaluation	1	(284)	1	(292)
Devaluation	4	1,135	4	1,169

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk. The Group's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest-bearing financial assets and interest-bearing financial liabilities.

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4. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group and Company's exposure to interest rate risk are as follows:

	The Group				
	1 to 12 Months	2 to 5 Years	Over 5 Years	Non-Interest Bearing	Total
31 December 2025	\$000	\$000	\$000	\$000	\$000
Assets					
Financial investments excluding units in Sigma Global Funds	6,545,522	1,400,355	323,206	25,650	8,294,733
Investment in Sagicor Sigma Global Funds –Sigma Real Estate Portfolio	-	-	-	305,523	305,523
Receivables	-	-	-	165,358	165,358
Cash resources	193,522	-	-	-	193,522
Non-financial assets:					
Cash resources	-	-	-	2,475	2,475
Other assets	-	-	-	759,559	759,559
Property, plant and equipment	-	-	-	18,653,935	18,653,935
Investment property	-	-	-	1,636,971	1,636,971
Inventories	-	-	-	60,178	60,178
Total assets	6,739,044	1,400,355	323,206	21,609,649	30,072,254
Liabilities					
Payables	-	-	-	588,311	588,311
Borrowings	236,296	1,107,267	1,834,944	17,658	3,196,165
Non-financial liabilities:					
Borrowings	-	-	-	(84,466)	(84,466)
Contract liabilities	-	-	-	124,569	124,569
Other liabilities	-	-	-	57,702	57,702
Taxation payable	-	-	-	51,775	51,775
Deferred income taxes	-	-	-	2,538,741	2,538,741
	236,296	1,107,267	1,834,944	3,294,290	6,472,797
Total interest repricing gap	6,502,748	293,088	(1,511,738)	18,315,359	23,599,457
Cumulative repricing gap	6,502,748	6,795,836	5,284,098	23,599,457	

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4. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Company				Total \$000
	1 to 12 Months \$000	2 to 5 Years \$000	Over 5 Years \$000	Non-Interest Bearing \$000	
31 December 2025					
Assets					
Financial investments	29,959	-	-	76	30,035
Cash resources	1,172	-	-	-	1,172
Non-financial assets:					
Other assets	-	-	-	17	17
Deferred income taxes	-	-	-	744	744
Investment in subsidiaries	-	-	-	9,518,204	9,518,204
Total assets	31,131	-	-	9,519,041	9,550,172
Liabilities					
Payables	-	-	-	115,228	115,228
Total liabilities	-	-	-	115,228	115,228
Total interest repricing gap	31,131	-	-	9,403,813	9,434,944
Cumulative repricing gap	31,131	31,131	31,131	9,434,944	

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4. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Group				
	1 to 12 Months	2 to 5 Years	Over 5 Years	Non-Interest Bearing	Total
31 December 2024	\$000	\$000	\$000	\$000	\$000
Assets					
Financial investments excluding units in Sigma Global Funds	6,042,058	2,967,645	293,674	32,488	9,335,865
Investment in Sagicor Sigma Global Funds –Sigma Real Estate Portfolio	-	-	-	285,469	285,469
Receivables	-	-	-	266,139	266,139
Cash resources	2,377,053	-	-	-	2,377,053
Non-financial assets:					
Cash resources	-	-	-	7,572	7,572
Other assets	-	-	-	472,459	472,459
Property, plant and equipment	-	-	-	17,847,043	17,847,043
Investment property	-	-	-	1,604,917	1,604,917
Inventories	-	-	-	76,349	76,349
Total assets	8,419,111	2,967,645	293,674	20,592,436	32,272,866
Liabilities					
Payables	-	-	-	522,422	522,422
Borrowings	6,652,509	-	-	28,070	6,680,579
Non-financial liabilities:					
Borrowings	-	-	-	27,435	27,435
Contract liabilities	-	-	-	260,235	260,235
Other liabilities	-	-	-	61,303	61,303
Taxation payable	-	-	-	185,672	185,672
Deferred income taxes	-	-	-	2,405,840	2,405,840
	6,652,509	-	-	3,490,977	10,143,486
Total interest repricing gap	1,766,602	2,967,645	293,674	17,042,888	22,070,809
Cumulative repricing gap	1,766,602	4,734,247	5,027,921	22,070,809	

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4. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

31 December 2024	The Company				Total \$000
	1 to 12 Months \$000	2 to 5 Years \$000	Over 5 Years \$000	Non-Interest Bearing \$000	
Assets					
Financial investments	33,502	-	-	8	33,510
Cash resources	1,186	-	-	-	1,186
Non-financial assets:					
Deferred income taxes	-	-	-	744	744
Investment in subsidiaries	-	-	-	9,518,204	9,518,204
Total assets	34,688	-	-	9,518,956	9,553,644
Liabilities					
Payables	-	-	-	76,726	76,726
Total liabilities	-	-	-	76,726	76,726
Total interest repricing gap	34,688	-	-	9,442,230	9,476,918
Cumulative repricing gap	34,688	34,688	34,688	9,476,918	

Interest rate sensitivity

Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk. The Group earns interest on its investments in debt securities and pays interest on its borrowings (Notes 18,21,22 & 25). Accordingly, the Group does not have significant exposure to interest rate risk.

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5. Capital Management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board of Directors monitors the return on capital and ensure that the Group is not in breach of its loan covenants.

6. Fair Value of Financial Instruments

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board of Directors monitors the return on capital.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Market price is used to determine fair value where an active market (such as a recognised stock exchange) exists as it is the best evidence of the fair value of a financial instrument. However, market prices are not available for a significant number of the financial assets and liabilities held and issued by the Group. Therefore, for financial instruments where no market price is available, the fair values presented have been estimated using present value or other estimation and valuation techniques based on market conditions existing at the statement of financial position dates.

The values derived from applying these techniques are significantly affected by the underlying assumptions used concerning both the amounts and timing of future cash flows and the discount rates. The following methods and assumptions have been used:

- (i) Investments in unit trusts are based on prices quoted by the Fund managers.
- (ii) The fair values of financial investments are measured by reference to quoted market prices or dealer quotes when available.
- (iii) The fair value of current assets and liabilities approximate their carrying value due to the short-term nature of these instruments.

The following table provides an analysis of financial instruments that are measured in the statement of financial position at fair value at 31 December 2025 and 31 December 2024, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- (i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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(expressed in Jamaican dollars unless otherwise indicated)

6. Fair Value of Financial Instruments (Continued)

	The Group			
	2025			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial Assets				
Investments in Sagicor Sigma Global Funds – Sigma Real Estate Portfolio (Note 17)	-	305,523	-	305,523
Financial Investments (Note 18)	3,060,093	1,545,831	-	4,605,924
	3,060,093	1,851,354	-	4,911,447
Non-Financial Assets				
Property Plant and Equipment (Note 16)	-	-	18,653,935	18,653,935
Investment property (Note 15)	-	-	1,636,971	1,636,971
	3,060,093	1,851,354	20,290,906	25,202,353

	The Group			
	2024			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial Assets				
Investments in Sagicor Sigma Global Funds – Sigma Real Estate Portfolio (Note 17)	-	285,469	-	285,469
Financial Investments (Note 18)	3,671,179	3,291,927	-	6,963,106
	3,671,179	3,577,396	-	7,248,575
Non-Financial Assets				
Property Plant and Equipment (Note 16)	-	-	17,847,043	17,847,043
Investment property (Note 15)	-	-	1,604,917	1,604,917
	3,671,179	3,577,396	19,451,960	26,700,535

There were no transfers between levels during the year.

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6. Fair Value of Financial Instruments (Continued)

The following table summarizes the quantitative information about the significant unobservable inputs used to measure the Group's Level 3 financial instruments:

Description	Fair value at		Unobservable inputs	Range of unobservable inputs		Relationship of unobservable inputs to fair value
	2025 \$'000	2024 \$'000		2025	2024	
The Group:						
Property, plant and equipment	18,653,935	17,847,043	Income capitalisation (Note 3b)	5%	5%	Increase in income capitalisation inputs will have a direct correlation to fair value.
Investment Property	1,636,971	1,604,917	Income capitalisation (Note 3b)	5%	5%	Increase in income capitalisation inputs will have a direct correlation to fair value.

Notes to the Financial Statements

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7. Segmental Financial Information

The Group is managed on a matrix basis, reflecting both line of business and geography. Accordingly, segment information is presented in two formats. The Group is organised into two primary business segments:

- (a) Hotel operations – direct ownership and operation of hotels.
- (b) Commercial operations – indirect investment in real estate via the Sagicor Sigma Global Funds and the investment property in X Fund Properties Limited.
- (c) Other – comprises of other investment assets and other liabilities.

There was no transaction between the operating segments during 2025 or 2024.

	The Group				
	2025				
	Hotel Operations	Commercial Operations	Other	Eliminations	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
External revenues	7,639,296	87,320	419,119	-	8,145,735
Net capital gains on financial assets and liabilities	-	52,107	285,213	-	337,320
Total revenue	7,639,296	139,427	704,332	-	8,483,055
Operating expenses	(5,749,937)	-	(516,404)	-	(6,266,341)
Depreciation	(609,362)	-	-	-	(609,362)
Finance costs	(282,380)	-	36,070	-	(246,310)
Profit before taxation	997,617	139,427	223,998	-	1,361,042
Taxation	(338,197)	(26,843)	12,310	-	(352,730)
Net profit	659,420	112,584	236,308	-	1,008,312
Segment assets	22,116,606	1,942,494	6,097,856	(84,702)	30,072,254
Segment liabilities	6,289,280	-	268,219	(84,702)	6,472,797

The Group's geographic information:

	Caribbean	United States of America	Total
	2025		
	\$'000	\$'000	\$'000
Revenue	843,759	7,639,296	8,483,055
Total assets	7,955,648	22,116,606	30,072,254

Geographically, the segments are Caribbean and United States of America.

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7. Segmental Financial Information (Continued)

	The Group				
	2024				
	Hotel Operations	Commercial Operations	Other	Eliminations	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
External revenues	7,332,155	24,677	514,354	-	7,871,186
Net capital losses on financial assets and liabilities	-	(65,273)	(5,140)	-	(70,413)
Total revenue	7,332,155	(40,596)	509,214	-	7,800,773
Operating expenses	(5,539,716)	-	(469,460)	-	(6,009,176)
Depreciation	(726,252)	-	-	-	(726,252)
Finance costs	(348,407)	-	35,210	-	(313,197)
Profit/(loss) before taxation	717,780	(40,596)	74,964	-	752,148
Taxation	(233,317)	10,149	(72,278)	-	(295,446)
Net profit/(loss)	484,463	(30,447)	2,686	-	456,702
Segment assets	24,447,465	1,890,386	5,901,862	(25,418)	32,214,295
Segment liabilities	9,939,318	-	229,586	(25,418)	10,143,486

The Group's geographic information:

	Caribbean	United States of America	Total
	2024		
	\$'000	\$'000	\$'000
Revenue	468,618	7,332,155	7,800,773
Total assets	7,766,830	24,447,465	32,214,295

Geographically, the segments are Caribbean and United States of America

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8. Revenue

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Net Investment Income				
Interest Income on securities at amortised cost:				
Securities purchased under Agreement to resell	122,897	110,478	684	2,954
Bank deposits	34	28	4	4
Debt securities	139,423	174,772	-	-
	<u>262,354</u>	<u>285,278</u>	<u>688</u>	<u>2,958</u>
Interest Income on securities at fair value through profit or loss:				
Debt securities	135,952	229,076	-	-
	<u>398,306</u>	<u>514,354</u>	<u>688</u>	<u>2,958</u>
Investment Property:				
Net rental income	87,320	24,676	-	-
	<u>485,626</u>	<u>539,030</u>	<u>688</u>	<u>2,958</u>
Net capital gains/(losses) on financial assets				
Unrealized capital gains on units in Sagicor Sigma Global Funds – Sigma Real Estate Portfolio	20,053	28,760	-	-
Net capital gains/(losses) on other investment securities	167,910	(74,421)	-	-
Fair value gains/(losses) on investment property	32,054	(94,033)	-	-
Net foreign exchange gains	117,303	50,361	1,771	2,033
	<u>337,320</u>	<u>(89,333)</u>	<u>1,771</u>	<u>2,033</u>
Hotel Revenue:				
Service contract revenue				
Rooms	4,930,426	4,807,547	-	-
Food and beverage	2,023,348	1,920,094	-	-
Rental income	42,106	44,783	-	-
Other departments	558,772	527,865	-	-
Other	84,644	31,866	-	-
	<u>7,639,296</u>	<u>7,332,155</u>	<u>-</u>	<u>-</u>

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9. Expenses by Nature

Total direct, administration and other operating expenses recognised were:

	The Group	
	2025	2024
	\$'000	\$'000
(a) Direct Expenses -		
Rooms	285,873	307,232
Food and beverage	748,436	689,175
Other operated departments	140,780	128,111
Staff costs (Included in Note 10)	1,402,671	1,327,825
	<u>2,577,760</u>	<u>2,452,343</u>

(b) Administration and other operating expenses-

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Advertising and promotion	557,097	496,734	-	-
Audit fees	56,903	47,103	11,666	16,675
Fees - non-audit services	911	1,589	101	96
Bank charges	2,446	1,075	18	15
Commission expense (travel agents and others)	130,574	159,287	-	-
Credit card commissions	155,268	159,568	-	-
Depreciation	609,362	726,252	-	-
Directors' fees	23,569	20,202	23,569	20,202
Guest transportation	6,467	7,735	-	-
Insurance	318,428	366,526	-	-
License and permits	5,274	2,701	-	-
Management fees to operator of hotel property	148,681	157,717	-	-
Other taxes	267,324	246,271	-	-
Professional and legal fees	439,061	395,996	2,105	241,456
Rent	6,876	5,527	-	-
Repairs and maintenance	193,747	175,852	-	-
Security	1,343	1,610	-	-
Staff costs (Included in Note 10)	724,571	699,480	-	-
Trade name fees	243,741	256,066	-	-
Utilities	282,195	261,184	-	-
Other	124,105	94,610	6,974	2,009
	<u>4,297,943</u>	<u>4,283,085</u>	<u>44,433</u>	<u>280,453</u>
Total operating expenses	<u>6,875,703</u>	<u>6,735,428</u>	<u>44,433</u>	<u>280,453</u>

There were no other fees paid to the auditor (or related network firms) for non-assurance services during the period.

Notes to the Financial Statements

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(expressed in Jamaican dollars unless otherwise indicated)

10. Staff Costs – Direct and Indirect

	The Group	
	2025	2024
	\$'000	\$'000
Salaries	1,621,295	1,567,366
Payroll taxes – employer's portion	126,510	118,464
Pension	23,692	22,286
Allowances and benefits	277,384	258,178
Other	78,361	61,011
	<u>2,127,242</u>	<u>2,027,305</u>

The average number of persons employed by Group was as follows:

	The Group	
	2025	2024
Full time	162	173
Part time	88	54
	<u>250</u>	<u>227</u>

11. Finance Costs

	The Group	
	2025	2024
	\$'000	\$'000
Interest expense -		
Amortisation of upfront fees on loan	8,523	11,397
Mortgage and other notes	237,787	301,800
	<u>246,310</u>	<u>313,197</u>

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12. Taxation

The taxation charge is computed on the profit or loss for the period, adjusted for tax purposes, and comprises income tax at predominantly 1%, 25% and 21% for 2025 and 2024:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current year tax expense	326,518	395,280	-	-
Deferred income tax (Note 26)	26,212	(99,834)	-	-
	<u>352,730</u>	<u>295,446</u>	<u>-</u>	<u>-</u>

Reconciliation of applicable tax charge to effective tax charge:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Profit/(loss) before taxation	<u>1,361,042</u>	<u>752,148</u>		<u>(275,446)</u>
Tax calculated at 1%	(420)	(2,754)	(420)	(2,754)
Tax calculated at 25%	66,494	33,761	-	-
Tax calculated at 21%	238,778	187,436	-	-
Adjusted for the effects of:			-	-
Income not subject to tax	(105,693)	(15,769)	(25)	(50)
State taxation for foreign subsidiary	78,904	61,017	-	-
Expenses not deductible for taxation purposes	44,016	21,747	445	2,804
Net effect of other charges and allowances	<u>30,651</u>	<u>10,008</u>	<u>-</u>	<u>-</u>
Taxation expense	<u>352,730</u>	<u>295,446</u>	<u>-</u>	<u>-</u>

Tax losses available to the Company at 31 December 2025 for set-off against future taxable profits amount to approximately \$587,137,000 (2024 - \$671,192,000) and may be carried forward for six years. Additionally, one of the Group's subsidiaries, X Fund Properties Limited, has tax losses available for set-off against future profits of approximately \$62,984,000 (2024 - \$ Nil) which will not expire.

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13. Earnings per Share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary stockholders by the weighted average number of ordinary shares in issue during the period.

	2025	2024
	\$'000	\$'000
Total basic and diluted earnings per share attributable to the ordinary equity holders of the Company	<u>\$0.45</u>	<u>\$0.20</u>
Profit attributable to the ordinary equity holders of the Company used in calculating basic earnings per share	<u>1,008,312</u>	<u>456,702</u>
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	<u>2,243,005</u>	<u>2,243,005</u>

14. Investment in Subsidiaries

	The Company	
	2025	2024
	\$'000	\$'000
Shares in:		
X Fund Properties Limited	<u>9,518,204</u>	<u>9,518,204</u>
	<u>9,518,204</u>	<u>9,518,204</u>

The Company evaluated the recoverability of the investment as at 31 December 2025 and 2024 and concluded that no impairment is considered necessary.

15. Investment Property

	The Group	
	2025	2024
	\$'000	\$'000
Balance at beginning of year	1,604,917	1,698,950
Changes in fair value	32,054	(94,033)
Balance at end of the year	<u>1,636,971</u>	<u>1,604,917</u>
Rent and maintenance income earned from the property	136,212	25,423
Expenses incurred by the property	(48,892)	(747)
	<u>87,320</u>	<u>24,676</u>

Investment property at 31 December 2025, are stated at fair value derived from valuations done by independent valuator, Charterland. The change in fair value was credited/(charged) to the statement of comprehensive income. The initial cost of the property was \$1,698,950,000.

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16. Property, Plant and Equipment

	The Group				Total \$'000
	Land & Buildings \$'000	Computer Equipment \$'000	Furniture, Fixtures & equipment \$'000	Capital Work in Progress \$'000	
Cost or Valuation					
At 1 January 2024	19,008,772	62,344	3,784,822	225,956	23,081,894
Additions	76,463	-	58,446	21,698	156,607
Revaluation gain	854,116	-	-	-	854,116
Translation adjustment	(4,332)	-	30,819	1,878	28,365
At 31 December 2024	19,935,019	62,344	3,874,087	249,532	24,120,982
Additions	313,969	-	236,404	219,136	769,509
Disposal	-	(62,344)	(201,150)	(1,098)	(264,592)
Revaluation gain	265,913	-	-	-	265,913
Translation adjustment	425,746	-	78,442	5,305	509,493
At 31 December 2025	20,940,647	-	3,987,783	472,875	25,401,305
Accumulated Depreciation-					
At 1 January 2024	2,244,912	62,344	3,363,220	1,099	5,671,575
Charges for the year	453,290	-	272,962	-	726,252
Translation adjustment	(150,427)	-	26,539	-	(123,888)
At 31 December 2024	2,547,775	62,344	3,662,721	1,099	6,273,939
Charges for the year	493,445	-	115,917	-	609,362
Disposal	-	(62,344)	(201,150)	(1,099)	(264,593)
Translation adjustment	54,673	-	73,989	-	128,662
At 31 December 2025	3,095,893	-	3,651,477	-	6,747,370
Net Book Value -					
31 December 2025	17,844,754	-	336,306	472,875	18,653,935
31 December 2024	17,387,244	-	211,366	248,433	17,847,043

In accordance with the Group's policy, owner-managed hotels were independently revalued during the year by professional real estate valuers. The excess of the revaluation over the carrying value of these property, plant and equipment during the year, amounted to \$265,913,000 (2024 – \$854,116,000) and has been credited to fair value reserves. If the revalued assets of the Group were stated on a historical cost basis, the amounts would be as follows:

	The Group	
	2025 \$'000	2024 \$'000
Cost	16,925,504	15,818,171
Accumulated depreciation	(6,559,225)	(6,009,346)
Net book value	10,366,279	9,808,825
Carrying value of revalued assets	18,653,935	17,847,043

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17. Investment in Sagicor Sigma Global Funds – Sigma Real Estate Portfolio

The units in the fund and values thereof are:

	The Group	
	Sigma Real Estate Portfolio	
	2025	2024
UNITS	Units	Units
Opening balance	114,278,171	564,710,496
Subscriptions/(redemptions)	287	(450,432,325)
Closing balance	<u>114,278,458</u>	<u>114,278,171</u>

	The Group	
	Sigma Real Estate Portfolio	
	2025	2024
VALUE	\$'000	\$'000
Opening balance	285,469	1,283,694
Redemptions	-	(1,026,985)
Changes in market value of investments	20,054	28,760
Closing balance	<u>305,523</u>	<u>285,469</u>
Value Per Unit	<u>2.67</u>	<u>2.50</u>

18. Financial Investments

	The Group	
	2025	2024
	\$'000	\$'000
Financial assets at FVTPL -		
Government of Jamaica Bonds	323,206	293,674
Corporate bonds	1,400,355	2,967,645
Interest receivable	19,230	30,608
	<u>1,742,791</u>	<u>3,291,927</u>
Financial assets - Amortised Cost		
Sovereign debt	2,034,300	2,017,136
Short term deposits	828,833	1,654,043
	<u>2,863,133</u>	<u>3,671,179</u>
	<u>4,605,924</u>	<u>6,963,106</u>

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19. Inventories

	The Group	
	2025 \$'000	2024 \$'000
Beverage	14,233	27,370
Food	45,945	48,979
	60,178	76,349

20. Receivables

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Trade receivables	169,920	274,825	-	-
Less: loss allowance	(4,562)	(8,686)	-	-
	165,358	266,139	-	-
Deposits	274,510	32,988	-	-
Prepayments	158,871	189,642	-	-
Withholding and other taxes	91,505	116,220	-	-
Income tax recoverable	210,144	69,538	-	-
Other receivables	24,529	5,500	17	-
	924,917	680,027	17	-

21. Securities Purchased under Agreements to Resell

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Securities purchased under agreements to resell	3,682,389	2,370,879	29,959	33,502
Interest receivable	6,420	1,880	76	8
	3,688,809	2,372,759	30,035	33,510

The effective weighted average interest rates on securities purchased under agreements to resell are as follows:

	The Group		The Company	
	2025 %	2024 %	2025 %	2024 %
Jamaican dollar	4.3%	6.0%	5.3%	6.0%
United States dollar	2.74%	2.50%	2.74%	2.62%

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22. Cash and Cash Equivalents

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash in hand	2,475	7,572	-	-
Cash at bank (Note 4a)	193,522	2,377,053	1,172	1,186
Cash resources	195,997	2,384,625	1,172	1,186
Securities purchased under agreements to resell (with contractual maturity of 90 days)	3,682,389	2,370,879	29,959	33,502
Short term deposit	828,833	1,654,043	-	-
Restricted cash	-	(1,900,034)	-	-
Cash and cash equivalents	4,707,219	4,509,513	31,131	34,688

Restricted cash represents cash previously held as a requirement under borrowings from Wells Fargo; this loan was repaid during the year, and therefore there is no further requirement to continue restricting cash.

Net Debt Reconciliation

The table below shows a reconciliation of liabilities to cash flows arising from financing activities. The amounts represent loans.

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At the beginning of the year	6,708,014	6,841,408	-	-
Interest payable	(28,070)	(26,380)	-	-
	6,679,944	6,815,028	-	-
Repayments	(6,791,013)	(170,880)	-	-
New loan	3,093,251	-	-	-
Interest payable	17,658	28,070	-	-
Amortisation of upfront fees	8,523	11,397	-	-
Amortisation of loan balance	(36,071)	(35,210)	-	-
Foreign currency translation	139,407	59,609	-	-
At the end of the year	3,111,699	6,708,014	-	-

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23. Payables and Contract Liabilities

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
(a) Payables				
Trade	186,308	112,375	-	-
Accruals	384,419	392,646	26,813	47,186
Related parties (Note 24)	-	-	84,702	25,418
Withholding and other taxes	57,702	61,303	-	-
Other	17,584	17,401	3,713	4,122
	<u>646,013</u>	<u>583,725</u>	<u>115,228</u>	<u>76,726</u>
(b) Contract liabilities (i)				
	<u>124,569</u>	<u>260,235</u>	<u>-</u>	<u>-</u>
	<u>770,582</u>	<u>843,960</u>	<u>115,228</u>	<u>76,726</u>

(i) Movement on contract liabilities

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Opening balance at 1 January	260,235	232,566	-	-
Add: Deposits received during the year	966,525	1,790,495	-	-
Less: Deposits utilized	(1,091,814)	(1,762,826)	-	-
Less: Deposits refunded	(10,377)	-	-	-
Closing balance at 31 December	<u>124,569</u>	<u>260,235</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

24. Related Party Transactions and Balances

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operational decisions.

Related companies include ultimate parent company, parent company, fellow subsidiaries and associated company. Related parties include directors, key management and companies for which the Company and its parent company are provided with management services.

(a) Related party transactions

The following transactions were carried out with related parties:

Key management compensation

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Salaries	184,880	176,135	-	-
Payroll taxes – employer's portion	42,627	41,343	-	-
Other	39,458	38,440	-	-
	<u>266,965</u>	<u>255,918</u>	<u>-</u>	<u>-</u>
Directors' emoluments –				
Fees	<u>23,569</u>	<u>20,202</u>	<u>23,569</u>	<u>20,202</u>

(b) Year-end balances arising from operations

Year-end balances arising from transactions in the normal course of business are as follows

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Payable to related parties -				
X Fund Properties Limited	-	-	84,702	25,418
	<u>-</u>	<u>-</u>	<u>84,702</u>	<u>25,418</u>

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

25. Borrowings

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Raymond James Financial, Inc Loan (i)	3,111,699	-	-	-
Wells Fargo Loan/Goldman Sachs (ii)	-	6,673,004	-	-
Hilton Franchise Holding LLC (iii)	-	35,010	-	-
	3,111,699	6,708,014	-	-
Less current portion of borrowings	(237,638)	(6,708,014)	-	-
Total long-term borrowings	2,874,061	-	-	-

i) Raymond James Financial, Inc Loan

This mortgage note attracts interest at 6.25% per annum and matures on November 19, 2035. The mortgage note is secured by the investment in hotel property. The mortgage note accrues interest from the issue date of the loan with interest due monthly, in arrears, and requires principal and interest payments, until maturity upon which the outstanding principal is due and payable. The Group may prepay the mortgage note prior to the maturity date, but will incur a prepayment premium if the note is repaid within the first five (5) years. The prepayment premium ranges from 1% to 5% depending on the amount of time elapsed prior to prepayment. The higher rate is subject to the shorter duration of 1 year.

The note contains a debt service coverage ratio test and, upon failing to meet the debt service coverage ratio, will require The Group to repay the loan or provide additional collateral. The Group was compliant during the year.

ii) Wells Fargo/Goldman Sachs

The mortgage note attracted interest at 4.9% per annum and matured on October 6, 2025. The mortgage note was secured by the investment in hotel property. The mortgage note accrued interest from the issue date of the loan with interest due monthly, in arrears, and required principal and interest payments through maturity upon which the outstanding principal is due and payable.

The mortgage note contained a debt service coverage ratio test and, upon failing to meet the debt service coverage ratio, substantially all the cash flows from the hotel must be directed to accounts controlled by the lender. The Group was compliant during the year. The loan was repaid in October 2025.

iii) This note is interest free with annual forgiveness of debt over ten years, if certain conditions are met. The loan commenced in November 2015 and expired on August 31, 2025. The loan was fully amortized during the year.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

26. Deferred Income Taxes

Deferred income taxes are calculated in full on temporary differences under the liability method using a principal tax rate for years 2025 and 2024 of 1% for Sagicor Real Estate X Fund Limited, 25% for X Fund Properties Limited and 21% for X Fund Properties LLC.

	<u>The Group</u>		<u>The Company</u>	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Deferred income taxes	<u>(2,538,741)</u>	<u>(2,405,840)</u>	<u>744</u>	<u>744</u>

The movement on the deferred income tax account is as follows:

	<u>The Group</u>		<u>The Company</u>	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Balance at start of year	(2,405,840)	(2,307,097)	744	744
(Charged)/credited to the statement of comprehensive income – (Note 12)	(26,212)	99,834	-	-
Revaluation of properties	(55,843)	(179,362)	-	-
Effect of exchange rate translation	<u>(50,846)</u>	<u>(19,215)</u>	<u>-</u>	<u>-</u>
Balance at end of year	<u>(2,538,741)</u>	<u>(2,405,840)</u>	<u>744</u>	<u>744</u>

On consolidation, exchange differences arising from the translation of the net investment in foreign entities is taken to stockholders' equity.

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

26. Deferred Income Taxes (Continued)

Deferred income tax assets and liabilities are attributable to the following items:

	<u>The Group</u>		<u>The Company</u>	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Deferred tax assets -				
Tax losses unused	966	966	966	966
Unrealised foreign currency losses/(gains)	7,646	2,823	(112)	(112)
Accrued vacation	20,765	17,551	-	-
Provisions	1,474	2,206	-	-
Deferred tax liabilities -				
Property plant and equipment	(2,521,120)	(2,400,271)	-	-
Interest receivable	(6,391)	(8,117)	-	-
Unrealised revaluation gains on investments	(42,081)	(20,998)	(110)	(110)
Net deferred tax (liabilities)/assets	<u>(2,538,741)</u>	<u>(2,405,840)</u>	<u>744</u>	<u>744</u>

The amounts shown in the statement of financial position included the following:

	<u>The Group</u>		<u>The Company</u>	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Deferred tax assets to be recovered after more than 12 months	966	966	744	744
Deferred tax liabilities to be recovered after more than 12 months	<u>(2,539,707)</u>	<u>(2,406,806)</u>	<u>-</u>	<u>-</u>

27. Share Capital

	2025	2024
	\$'000	\$'000
Authorised:		
5,000,000,000 ordinary shares (J\$1.00 par value)	<u>5,000,000</u>	<u>5,000,000</u>
1 special rights redeemable preference share (US\$1,000 par value)	<u>US\$1</u>	<u>US\$1</u>
	2025	2024
	\$'000	\$'000
Issued and fully paid -		
2,243,005,125 (2024 - 2,243,005,125 ordinary shares of J\$1.00 par value)	12,642,412	12,642,412
1 special rights redeemable preference share (US\$1,000 par value)	100	100
	<u>12,642,512</u>	<u>12,642,512</u>

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

28. Dividend

No dividend payments during the year (2024: Nil).

29. Fair Value and Other Reserves

(a) Fair Value

These comprise:

	<u>The Group</u>	
	2025	2024
	\$'000	\$'000
Balance as at start of the year	6,263,299	5,588,545
Fair value gains on property plant and equipment	210,070	674,754
Balance at end of the year	<u>6,473,369</u>	<u>6,263,299</u>

Fair value gains for the Group are shown net of deferred taxes with respect to revaluation adjustments to property, plant and equipment.

(b) Currency Translation Reserve

	<u>The Group</u>	
	2025	2024
	\$'000	\$'000
Balance as at start of the year	2,255,036	2,144,016
Re-translation of foreign operations	310,266	111,020
Balance at end of the year	<u>2,565,302</u>	<u>2,255,036</u>

On consolidation, exchange differences arising from the translation of the net investment in foreign entities is taken to stockholders' equity.

30. (Accumulated Deficit)/Retained Earnings and Net Profit/(Loss)

	2025	2024
	\$'000	\$'000
(i) Net (loss)/profit dealt with in the financial statements of:		
The Company	(41,974)	(275,446)
The subsidiaries	1,050,286	732,148
	<u>1,008,312</u>	<u>456,702</u>
(ii) (Accumulated deficit)/Retained earnings reflected in the financial statements of:		
The Company	(3,207,568)	(3,165,594)
The subsidiaries	5,125,842	4,075,556
	<u>1,918,274</u>	<u>909,962</u>

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

31. Financial Instruments

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
(a) Financial assets				
Financial assets at fair value through profit and loss	1,742,791	3,291,927	-	-
Financial assets at amortised cost -				
Sovereign debt	2,034,300	2,017,136	-	-
Short term deposit	828,833	1,654,043	-	-
Receivables	150,663	266,139	-	-
Related parties	-	-	-	-
Securities purchased under agreements to resell	3,688,809	2,372,759	30,035	33,510
Cash resources	193,522	2,377,053	1,172	1,186
	<u>6,896,127</u>	<u>8,687,130</u>	<u>31,207</u>	<u>34,696</u>
	<u>8,638,918</u>	<u>11,979,057</u>	<u>31,207</u>	<u>34,696</u>
(b) Financial liabilities				
Financial liabilities at amortised cost -				
Payables	588,311	522,422	30,526	51,309
Borrowings	3,196,165	6,680,579	-	-
Related parties	-	-	84,702	25,417
	<u>3,784,476</u>	<u>7,203,001</u>	<u>115,228</u>	<u>76,726</u>

The Group's and Company's financial instruments resulted in the following income, expenses and gains and losses recognised in the statement of comprehensive income:

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Fair value through profit or loss:				
Interest income	135,952	403,848	-	-
Net capital gains on units in Sagicor Sigma Global Funds – Sigma Real Estate Portfolio	20,053	28,760	-	-
Net capital gains/(losses) on other investment securities	167,910	(74,421)	-	-
Net foreign exchange gain	117,303	50,361	1,771	2,033
	<u>441,218</u>	<u>408,548</u>	<u>1,771</u>	<u>2,033</u>
Amortised cost:				
Interest income	262,354	110,506	688	2,958
Finance costs	(246,310)	(313,197)	-	-
	<u>16,044</u>	<u>(202,691)</u>	<u>688</u>	<u>2,958</u>

Notes to the Financial Statements

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

32. Consolidated Cash Flows from Operating Activities

Cash Flows from Operating Activities	Note	2025 \$'000	2024 \$'000
Net profit		1,008,312	456,702
Adjustments for:			
Depreciation	16	609,362	726,252
Interest income	8	(398,306)	(514,354)
Fair value gains on units held in Sagicor Sigma Global Funds – Sigma Real Estate Portfolio	8	(20,053)	(28,760)
Fair value (gains)/ losses on other financial investments	8	(21,220)	74,421
Effect of exchange gains on foreign currency balances		(52,869)	(50,776)
Taxation expense	12	352,730	295,446
Amortisation of franchise fees		1,667	2,457
Finance costs	11	246,310	313,197
Fair value (gains)/losses on investment property	15	(32,054)	94,033
		1,693,879	1,368,618
Changes in operating activities:			
Inventories		17,793	(24,810)
Receivables		(176,707)	(220,427)
Payables		(91,094)	99,272
Related parties		2,821	-
Purchase of investment property		-	(1,698,950)
Cash used in operating activities		(247,187)	(1,844,915)
Income tax paid		(524,100)	(277,040)
Net cash generated by/(used in) operating activities		922,592	(753,337)

33. Commitments and Contingencies

The Group renewed the Franchise Agreement with Hilton on September 8, 2025. This agreement will expire September 30, 2040. Under this agreement the Group is obligated to pay royalty fees to Hilton of between 4% and 5% of gross room revenue, and fees for marketing, reservations, and other related activities of 4% of gross room revenue. Franchise costs incurred under this agreement were \$882,714,000 (2024– \$879,835,000). These amounts are included in rooms and administration and other operating expenses.

The Group is also required to make periodic capital improvements to satisfy the franchisor's brand standards. The Group commenced a property improvement plan during the year to maintain these brand standards, and this is scheduled to be completed before November 2027. In addition, under certain loan covenants the Group is obligated to fund a restricted account for the ongoing replacement of furniture, fixtures and equipment at the hotel. There was no obligation to allocate funds for this reserve during the year (2024 - \$458,205,000). The reserve obligation will take effect at the earlier of November 19, 2027, or when the current property improvement plan is completed.

DISCLOSURE OF SHAREHOLDINGS

As at 31 December 2025

TOP TEN SHAREHOLDERS		
SHAREHOLDERS	NO OF SHARES	PERCENTAGE
1 Sagicor Pooled Equity Fund	645,555,121	28.78%
2 Sagicor Pooled Mortgage & Real Estate Fund	636,806,368	28.39%
3 Sagicor Pooled Diversified Investment Fund	183,254,021	8.17%
4 JCSD Trustee Services Ltd - Sigma Real Estate	181,499,136	8.09%
5 JCSD Trustee Services Ltd - Sigma Equity	181,494,051	8.09%
6 JCSD Trustee Services Ltd - Sigma Diversified Investor	100,836,256	4.50%
7 Sagicor JPS Employees Pension Plan	70,000,000	3.12%
8 JCSD Trustee Services Ltd - Sigma Global Venture	46,052,287	2.05%
9 First Ja/Nat'l Hsng Trust Pension Fund	30,000,000	1.34%
10 Heart Trust / NTA Pension Scheme	28,000,000	1.25%
TOTAL	2,103,497,240	93.78%
Other	139,507,885	6.22%
Total Issued Shares	2,243,005,125	100.00%

SHAREHOLDINGS OF DIRECTORS	
LIST OF DIRECTORS	SHAREHOLDINGS IN X FUND
1 Howard Mitchell (Chairman)	200,000
2 John Bailey	100,000
- connected - Cheston Jamaica Limited	2,400,000
3 Stephen McNamara	Nil
4 Bruce James	Nil
5 Colin Steele	Nil
6 Peter Pearson	15,000
- connected - Yvonne Pearson	
7 Dr. Marjorie Fyffe-Campbell	Nil

SHAREHOLDINGS OF EXECUTIVE MANAGEMENT	
SHAREHOLDER	SHAREHOLDINGS IN X FUND
1 Brenda-Lee Martin	29,981
- connected - Deborah Martin	



FORM OF PROXY

I, of
being a member of Sagicor Real Estate X Fund Limited hereby appoint

..... of

or failing him of
as my proxy to vote for me on my behalf at the Annual General Meeting of the Corporation at McNamara Corporate Services Inc.,
Bella Rosa Road, Rodney Bay, Gros Islet, Saint Lucia and being convened virtually on Wednesday, May 20, 2026, at 10:30 a.m. and
at any adjournment thereof. The Proxy will vote on the undermentioned resolutions as indicated:

	For	Against
<p>Resolution No. 1 THAT the Audited Accounts and the Reports of the Directors and Auditors for the year ended December 31, 2025, be and are hereby adopted.</p>		
<p>Resolution No. 2 THAT the election of directors be made en bloc.</p>		
<p>Resolution No. 3</p> <p>a. Article 102 of the Company’s Articles of Association provides that one-third of the directors, or if their number is not three or a multiple of three then the number nearest to one-third, shall retire from office at each Annual General Meeting. The directors retiring under this Article are Directors Howard Mitchell and John Bailey who, being eligible, offer themselves for re-election.</p> <p>“THAT Messrs. Howard Mitchell and John Bailey, who retire by rotation and, being eligible, offer themselves for re-election, be and are hereby re-elected as Directors of the Company en bloc.”</p> <p>b. Article 108 of the Company’s Articles of Association provides that the Directors shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Accordingly, Director Marjorie Fyffe-Campbell, who was appointed by the Board of Directors since the last Annual General Meeting as an addition to the Board, retires and being eligible, offers herself for re-election.</p> <p>“THAT Marjorie Fyffe-Campbell who retires having been appointed as an addition to the Board since the last Annual General Meeting, and being eligible, offers herself for re-election, be and is hereby elected Director of the Company.”</p>		



REAL ESTATE X FUND

	For	Against
Resolution No. 4 THAT the amount of \$23,569,000.00 included in the Audited Accounts of the Company for the year ended December 31, 2025, as remuneration for their services as Directors, be and is hereby approved.		
Resolution No. 5 "THAT PricewaterhouseCoopers East Caribbean, Chartered Accountants, having agreed to continue in office as Auditors for the Company, be and are hereby appointed Auditors for the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."		

NOTE: If this form is returned without any indication as to how the person appointed proxy shall vote, he will exercise his discretion as to how he votes or whether he abstains from voting.

As witness my hand this day of2026

Signature:

.....

NOTE: (1) If the appointer is a Corporation, this form must be under the Common Seal or under the hand of an officer or attorney duly authorised.

(2) To be valid, this proxy must be lodged with the Secretary of the Corporation, 20 Micoud Street, Castries, St. Lucia not less than 48 hours before the time appointed for holding the meeting.

A proxy need not be a member of the Company.

REGISTERED OFFICE:

St. Lucia

Sagicor Real Estate X Fund Limited
20 Micoud Street
Castries
St. Lucia

Territories of Operation

Jamaica

X Fund Properties Limited
(wholly owned subsidiary)
28 – 48 Barbados Avenue
Kingston 5
Jamaica

USA

X Fund Properties LLC
(wholly owned subsidiary of X Fund Properties Limited)
5780 Major Boulevard
Orlando, Florida 32819
USA

Cayman Islands

X Fund Properties Limited
(wholly owned subsidiary)
c/o HSM Corporate Services Limited
68 Fort Street
Georgetown, P.O. Box 31726
Grand Cayman, KY1-1207
Cayman Islands