



UNAUDITED GROUP FINANCIAL STATEMENT

NINE (9) MONTHS ENDED SEPTEMBER 30, 2023



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UNAUDITED GROUP FINANCIAL STATEMENTS

Nine (9) Months Ended September 30, 2023



HIGHLIGHTS

- **Group Rental Income** up 10% year on year in 3Q 2023
- **Net Operating Income (NOI)** increased 16% in 3Q 2023
- **EBITDA** increased by 10% YOY in 9M 2023
- **Net Profit** increased by 8% YOY in 9M 2023
- **Total Assets** under management (AUM) grew by 20% YOY as at 9M 2023 to \$70.2 million

We are pleased to present the unaudited consolidated financial statements for the nine (9) months ended September 30, 2023, in United States dollars.

OVERVIEW

The Group has continued its growth trajectory with improved operational performance YOY as well as in the third quarter of the 2023 financial year compared to the same prior year periods. This improvement was bolstered by the expansion of the investment property portfolio during the current period with the Group concluding its largest asset acquisition to date of the Grand Harbour Shoppes in the Cayman Islands. These results additionally benefited from significant capital expansion and the resilience of the tenant occupancy rates at all our properties. Owing to the various risk mitigating strategies aimed at preserving and improving our cash position during the year, the Group was able to capitalize on investment opportunities at an ideal time. This improved performance was achieved despite navigating the uncertainties in the global economic environment which is characterised by high interest rates, recessionary threats and multiple geopolitical tensions.

INCOME STATEMENT

Group Rental Income for the nine (9) months ended September 30, 2023, grew by 8% YOY to \$2.7 million, up from \$2.5 million for the corresponding period in 2022. The Group's rental income for the third quarter increased by 10% to \$939,184 compared to \$857,596 in the prior year. The primary drivers of this increase in rental income were the expansion of the investment property portfolio and improvements in rental rates at some of our properties in the Cayman Islands and Jamaica. Direct property and administrative expenses, which are reflected in **Group operating expenses**, decreased slightly during the current quarter to \$355,848 when compared to 3Q 2022, however the decrease for the nine month period was 4% YOY to \$1.0 million. The higher rental income and lower operating expenses in 3Q 2023, generated a 16% improvement in the Net Operating Income (NOI) of \$583,336 at a gross margin of 67.4%, compared to NOI of \$500,905 at a margin of 61.7% during the third quarter of last year. The nine month NOI increased by 17% YOY to \$1.6 million at the end of 3Q 2023. As of September 30, 2023, year-to-date realized gains of \$447,777 were derived from the sale of our Dumfries Road property in Jamaica as well as the 1Q 2023 sale of the last condo unit in Miami. These gains outpaced the total gain on sale of \$225,794 plus revaluation gains of \$177,299 recorded in the similar period in the prior year. As a result, nine month EBITDA grew by 10% from \$1.9 million as at September 2022 to \$2.1 million in September 2023, while EBITDA of \$633,014 for the review quarter grew by 15% over the prior year. The stronger operating performance during the nine month period was tempered somewhat by the 18% YOY increase in Net Finance Costs to \$512,300, up from \$434,717 during the similar period of 2022. This increase in Net Finance Cost is primarily due to increased interest rates and growth in the total

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Nine (9) Months Ended September 30, 2023

debt balances, which was mitigated by the 43% YOY increase in finance income arising from higher interest income on short term investments and foreign exchange gains. The net effect saw profit after tax for the third quarter increasing by 10% to \$400,519 compared to \$363,395 in the prior year's third quarter, while profits increased by 8% YOY to \$1.6 million for the nine-month period in 2023.

BALANCE SHEET



Total assets under management stood at \$70.2 million as of September 2023 representing a 20% growth over prior year. This is led by the investment properties portfolio (including properties held for sale, deposit on property and real estate partnerships) which grew by 26% YOY to \$63.9 million in 2023 when compared to \$50.8 million in 2022. This significant increase in the portfolio is due primarily to the recent acquisition of the Grand Harbour Shoppes in Cayman at a cost of \$14.9 million, in addition to the improvement in fair value of some properties during the fourth quarter of 2022, offset by the 1Q 2023 sale of a condo unit in Miami and the recent sale of the property held at Dumfries Road in Jamaica. The Group continues to strategically maintain adequate levels of liquidity with cash and cash equivalent balances of \$5.2 million at

the end of 3Q 2023, which is a 26% YOY reduction compared to \$6.9 million as at September 2022. This underpins the significant working capital base which positions the Group to efficiently take advantage of future acquisitions and projects.

Total Equity grew by 5.2% to \$45.5 million up from \$43.1 million in the prior year, resulting in book value per share of \$0.05146 (J\$8.00) as at September 30, 2023.

Total Loans Payable rose to \$23.9 million at September 2023 compared with \$15.0 million at September 30, 2022 representing a 59% YOY increase in borrowings. The increase is represented primarily by the \$9.5 million raised during the third quarter to acquire the Grand Harbour property in Cayman Islands. The Group continues to manage its interest rate risk by overweighting fixed rate facilities to mitigate against potential future volatility in debt finance cost. Despite the increase in total loans payable, the Group is still relatively underleveraged, with total loans payable being less than 35% of total assets.

	9M 2022	9M 2023
Total Loans as % of Investment Properties	34.25%	37.42%
Total Loans as % of Total Assets	23.89%	34.09%
Total Loans as % of Total Equity	31.75%	52.57%

Funds From Operations (FFO) decreased slightly for the nine months that ended on September 30, 2023 to \$946,818 from \$958,421 in 2022. The main drivers of the lower amount are one-off due diligence costs in 2023 compared to 2022 offset by higher operating revenues year over year.

UNAUDITED GROUP FINANCIAL STATEMENTS

Nine (9) Months Ended September 30, 2023

FFO Calculations	9M 2022	9M 2023
Total Comprehensive Income for the Year	\$1,447,598	\$1,570,110
Increase in Fair Value of Investment Property	(\$177,299)	(\$382,184)
Interest Income	(\$104,709)	(\$194,460)
Depreciation	\$18,625	\$18,945
Gain on Disposal of Investment Property	(\$225,794)	(\$65,593)
Funds From Operations	\$958,421	\$946,818

SUMMARY AND OUTLOOK



The US Federal Open Market Committee (FOMC) continues to hold interest rates between 5.25%-5.50%, a 22-year high, while indicating it still expects one more hike before the end of this year.


Along with the rate projections, FOMC members also sharply revised their economic growth expectations for this year. It is anticipated that the ongoing rate increases will cause the economy to enter a recession, which will lower inflation and eventually result in lower interest rates by 2024. A further concern is that, considering the high levels of leverage acquired by the commercial real estate

sector over the past four years, the current high interest rates will lead to significant instability in that industry. This situation might offer the Group the chance to purchase distressed assets, and when it makes sense, we'll use leverage to increase the size of our portfolio by adding assets that fit our predetermined risk-return ratio. We anticipate breaking ground on the Rousseau Road small bay warehouse and receiving completion certificates for our Gum Tree 5 mixed-use development in Cayman in the fourth quarter of 2023. We continue to execute on our Green Certification Policy initiatives which is to operate and maintain environmentally sustainable operations across our properties and have launched an education programme amongst our tenants and other stakeholders in this regard.

The Group declared a second interim dividend of US\$0.000797 per share to shareholders on record as at November 6 to be paid on November 23. This brings the Group's dividend yield to 3.12% based on the volume weighted average price of the stock since the start of the year. KPREIT's stock price continues to perform creditably over the last twelve months when compared to the performance of the JSE Main Index, though it continues to trade at a discount to book value per share.

We will continue to pursue more value-add opportunities in various jurisdictions as we continue our geographic dispersion into other markets. We continue to monitor the economic conditions in the markets we are targeting to determine the appropriate timing of strategic acquisitions.

As always, thanks to our Board, shareholders, and employees for your continued support.


Kevin G. Richards
 Chief Executive Officer
November 8, 2023

Kingston Properties Limited

GROUP STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

Nine (9) Months Ended September 30, 2023

	<u>Notes</u>	Unaudited Quarter ended September 30, 2023 US\$	Unaudited Quarter ended September 30, 2022 US\$	Unaudited Nine (9) months ended September 30, 2023 US\$	Unaudited Nine (9) months ended September 30, 2022 US\$	Audited Year ended December 31, 2022 US\$
Rental income		939,184	857,596	2,669,949	2,473,892	3,346,404
Operating expenses		<u>(355,848)</u>	<u>(356,691)</u>	<u>(1,044,179)</u>	<u>(1,089,747)</u>	<u>(1,483,534)</u>
Results of operating activities before other income/losses		583,336	500,905	1,625,770	1,384,145	1,862,870
Other income / losses:						
Increase in fair value of investment property		-	-	-	177,299	2,173,687
Gain on disposal of investment properties		22,823	-	447,777	225,794	276,092
Loss on disposal of furniture and equipment		-	-	-	-	(98,368)
Impairment losses on financial assets		-	-	(20,000)	-	(32,055)
Management fees		28,457	21,768	88,061	63,106	91,461
Miscellaneous (expenses)/income		<u>(1,602)</u>	<u>27,184</u>	<u>(47,057)</u>	<u>47,561</u>	<u>92,200</u>
Operating profit		633,014	549,857	2,094,551	1,897,905	4,365,887
Finance income		64,154	65,830	240,176	167,743	192,512
Finance cost		<u>(281,108)</u>	<u>(236,805)</u>	<u>(752,476)</u>	<u>(602,460)</u>	<u>(674,332)</u>
Net finance costs	3	<u>(216,954)</u>	<u>(170,975)</u>	<u>(512,300)</u>	<u>(434,717)</u>	<u>(481,820)</u>
Profit before income tax		416,060	378,882	1,582,251	1,463,188	3,884,067
Income tax charge		<u>(15,541)</u>	<u>(15,487)</u>	<u>(12,141)</u>	<u>(15,590)</u>	<u>(84,411)</u>
Profit for the period / year		<u>400,519</u>	<u>363,395</u>	<u>1,570,110</u>	<u>1,447,598</u>	<u>3,799,656</u>
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period / year		<u><u>400,519</u></u>	<u><u>363,395</u></u>	<u><u>1,570,110</u></u>	<u><u>1,447,598</u></u>	<u><u>3,799,656</u></u>
Earnings per share for profit attributable to the equity holders of the Company:						
Earnings per stock unit (US\$):	4	<u>0.0005</u>	<u>0.0004</u>	<u>0.0018</u>	<u>0.0020</u>	<u>0.0049</u>

Kingston Properties Limited

GROUP STATEMENT OF FINANCIAL POSITION (UNAUDITED)

Nine (9) Months Ended September 30, 2023

	Notes	Unaudited as at September 30, 2023 US\$	Unaudited as at September 30, 2022 US\$	Audited as at December 31, 2022 US\$
NON-CURRENT ASSETS				
Investment properties	5	54,129,029	40,025,641	40,137,529
Investment in Real Estate Fund	6	4,864,683	5,071,187	4,864,683
Restricted cash		-	1,969	1,969
Furniture, software and equipment		97,431	193,822	97,518
Total non-current assets		59,091,143	45,292,619	45,101,699
CURRENT ASSETS				
Deposit on investment property		2,623,085	3,963,077	2,639,031
Investment properties held for sale		2,300,000	1,750,114	3,075,057
Receivables and prepayments		900,436	617,706	720,762
Income tax recoverable		58,354	36,871	48,027
Cash and cash equivalents	8	5,195,579	6,945,778	4,623,317
Total current assets		11,077,454	13,313,546	11,106,194
Total assets		70,168,597	58,606,165	56,207,893
EQUITY				
Share capital		34,903,347	34,948,294	34,931,493
Treasury shares		-	-	(28,147)
Cumulative translation reserve		(1,488,861)	(1,488,861)	(1,488,861)
Retained earnings		12,086,736	9,703,660	11,179,945
Total equity		45,501,222	43,163,093	44,594,430
NON-CURRENT LIABILITIES				
Loans payable	7	22,669,648	14,083,216	10,126,383
Deferred tax liabilities		108,473	-	108,473
Total non-current liabilities		22,778,121	14,083,216	10,234,856
CURRENT LIABILITIES				
Loans payable	7	1,249,500	908,000	918,534
Accounts payable and accrued charges		628,712	440,814	432,548
Income tax payable		11,042	11,042	27,525
Total current liabilities		1,889,254	1,359,856	1,378,607
Total equity and liabilities		70,168,597	58,606,165	56,207,893

The financial statements were approved for issue by the Board of Directors on November 8, 2023 and signed on its behalf by:



Phillip Silvera - Director



Rezworth Burchenson - Director

Kingston Properties Limited

**GROUP STATEMENT OF
CHANGES IN EQUITY (UNAUDITED)**

Nine (9) Months Ended September 30, 2023

	Share capital <u>US\$</u>	Treasury shares <u>US\$</u>	Cumulative translation reserve <u>US\$</u>	Retained earnings <u>US\$</u>	Total <u>US\$</u>
Audited, balances at					
Audited, balances at December 31, 2021	25,316,337	-	(1,488,861)	8,807,021	32,634,497
Transaction with owners of the company:					
Issuance of share capital	9,631,957	-	-	-	9,631,957
Profit, being comprehensive income for the period	-	-	-	1,447,598	1,447,598
Dividends paid, being total distribution to owners	-	-	-	(550,959)	(550,959)
Unaudited, balances at September 30, 2022	<u>34,948,294</u>	<u>-</u>	<u>(1,488,861)</u>	<u>9,703,660</u>	<u>43,163,093</u>
Audited, balances at December 31, 2022	34,931,494	(28,147)	(1,488,861)	11,179,945	44,594,431
Transactions with owners of the company:					
Stock unit cancelled	(28,147)	28,147	-	-	-
Profit, being comprehensive income for the period	-	-	-	1,570,110	1,570,110
Dividends paid, being total distribution to owners	-	-	-	(663,319)	(663,319)
Unaudited, balances at September 30, 2023	<u>34,903,347</u>	<u>-</u>	<u>(1,488,861)</u>	<u>12,086,736</u>	<u>45,501,222</u>

Kingston Properties Limited

GROUP STATEMENT OF CASH FLOWS (UNAUDITED)

Nine (9) Months Ended September 30, 2023

	Unaudited Nine (9) months ended September 30, 2023 US\$	Unaudited Nine (9) months ended September 30, 2022 US\$	Audited Year ended December 31, 2022 US\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period / year	1,570,110	1,447,598	3,799,656
Adjustments for:			
Income tax charge	12,141	15,590	84,411
Depreciation	18,945	18,625	24,766
Interest income	(194,460)	(104,709)	(165,398)
Interest expense	752,476	602,460	605,704
Increase in fair value revaluation of investment property	-	(177,299)	(2,173,687)
Impairment losses on financial assets	20,000	-	32,055
Gain on disposal of investment property	(447,777)	(225,794)	(276,092)
Loss on disposal of office furniture	-	-	98,368
Exchange gains	(31,804)	(59,670)	-
Operating profit before changes in working capital	1,699,631	1,516,801	2,029,783
Changes in:			
Other receivables	(189,527)	(36,270)	(165,020)
Accounts payable and accrued charges	31,407	(173,409)	(96,837)
Income tax paid	(16,483)	(7,250)	(47,754)
Net cash provided by operations	1,525,028	1,299,872	1,720,172
Cash flows from investing activities			
Interest received	194,460	104,709	136,509
Additions to office equipment	87	(4,348)	(12,551)
Deposit on investment properties	(35,997)	(2,730,316)	(1,406,270)
Additions to investment property	(15,238,316)	(164,626)	(186,781)
Investment in Real Estate Fund	-	(1,620,024)	(1,620,024)
Proceeds of disposal of investment property	2,636,338	1,068,646	1,907,433
Net cash used in investing activities	(12,443,428)	(3,345,959)	(1,181,684)
Cash flows from financing activities			
Interest paid	(722,535)	(484,412)	(583,450)
Dividends paid	(663,003)	(550,959)	(1,426,732)
Loans received	13,921,873	1,768,950	3,000,000
Loans repaid	(1,047,642)	(4,080,710)	(9,199,037)
Restricted cash	1,969	-	-
Issuance of share capital	-	9,631,957	9,615,156
Treasury shares	-	-	(28,147)
Net cash provided by financing activities	11,490,663	6,284,826	1,377,790
Net increase in cash and cash equivalents	572,262	4,238,739	1,916,278
Cash and cash equivalents at beginning of period	4,623,317	2,707,039	2,707,039
Effect of exchange rate fluctuations on cash and cash equivalents	-	-	-
Cash and cash equivalents at end of period / year	5,195,579	6,945,778	4,623,317

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Nine (9) Months Ended September 30, 2023

1. IDENTIFICATION AND PRINCIPAL ACTIVITIES

Kingston Properties Limited (the "Company") was incorporated in Jamaica under the Companies Act on April 21, 2008. The Company is domiciled in Jamaica, with its registered office at 7 Stanton Terrace, Kingston 6, Jamaica. The Company is listed on the Jamaica Stock Exchange.

The Company has five wholly owned subsidiaries:

- (i) KPREIT (St. Lucia) Limited, incorporated in St. Lucia under the International Business Companies Act; and its wholly-owned subsidiary KPREIT (Cayman) Limited. On January 3, 2022 the Company transferred 100% of its shareholdings in the company formally known as Kingston Properties (St. Lucia) Limited to its subsidiary KPREIT (St Lucia) Limited. On January 4, 2022 the company formally known as Kingston Properties (St Lucia) Limited was redomiciled to the Cayman Islands by way of continuation, and its name changed on the said date to KPREIT (Cayman) Limited
- (ii) Kingston Properties Miami LLC a wholly owned subsidiary of KPREIT (Cayman) Limited was incorporated in Florida under the Florida Limited Liability Company Act.
- (iii) KP (Reit) Jamaica Limited, incorporated in Jamaica on September 14, 2018 under the Companies Act.
- (iv) KP Dumfries Limited, incorporated in Jamaica on February 16, 2021 under the Companies Act.

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

The principal activity of the Group is to invest in attractive real estate assets in Jamaica and selected international markets.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The interim financial statements have been prepared under the historical cost basis, as modified by the revaluation of certain fixed and financial assets and are expressed in United States dollars.

These financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting.

The interim financial report is to be read in conjunction with the audited financial statements for the year ended December 31, 2022. The explanatory notes attached to the interim financials statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended December 31, 2022. The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended December 31, 2022.

(b) Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumption: that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period.

Actual results could differ from these estimates and any adjustments that may be necessary would be reflected in the year in which actual results are known.

Kingston Properties Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Nine (9) Months Ended September 30, 2023

3. Finance costs

	Unaudited Quarter ended September 30, 2023 US\$	Unaudited Quarter ended September 30, 2022 US\$	Unaudited Nine months ended September 30, 2023 US\$	Unaudited Nine months ended September 30, 2022 US\$	Audited Year end December 31, 2022 US\$
Finance income:					
Interest income	64,154	65,830	194,460	104,709	165,398
Net gains on conversion of foreign currency investments and borrowings	-	-	45,716	63,034	27,114
Total finance income	<u>64,154</u>	<u>65,830</u>	<u>240,176</u>	<u>167,743</u>	<u>192,512</u>
Finance costs:					
Foreign exchange losses	(1,606)	(33,345)	-	-	-
Interest expense	(268,112)	(197,537)	(722,535)	(543,436)	(605,704)
Commitment fees	(11,390)	(5,923)	(29,941)	(59,024)	(68,628)
Total finance costs	<u>(281,108)</u>	<u>(236,805)</u>	<u>(752,476)</u>	<u>(602,460)</u>	<u>(674,332)</u>
Net finance costs	<u>(216,954)</u>	<u>(170,975)</u>	<u>(512,300)</u>	<u>(434,717)</u>	<u>(481,820)</u>

4. Earnings per stock unit

The earnings per stock unit is computed by dividing the profit for the period / year, attributable to the company's stockholders, by weighted average number of stock units in issue during the year, computed as follows:

	Unaudited Quarter ended September 30, 2023 US\$	Unaudited Quarter ended September 30, 2022 US\$	Unaudited Nine months ended September 30, 2023 US\$	Unaudited Nine months ended September 30, 2022 US\$	Audited Year ended December 31, 2022 US\$
Weighted average number of ordinary stock units held during the year	884,000,000	884,609,294	884,000,000	729,392,020	781,015,068
Earnings per share (\$)	<u>0.0005</u>	<u>0.0004</u>	<u>0.0018</u>	<u>0.0020</u>	<u>0.0049</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Nine (9) Months Ended September 30, 2023

5. Investment properties

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

	Unaudited September 30, 2023 US\$	Unaudited September 30, 2022 US\$	Audited December 31, 2022 US\$
(i) Jamaica	20,798,784	23,870,525	21,915,345
(ii) Cayman Islands	33,330,245	16,155,116	18,222,184
	<u>54,129,029</u>	<u>40,025,641</u>	<u>40,137,529</u>

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

	Unaudited September 30, 2023 US\$	Unaudited September 30, 2022 US\$	Audited December 31, 2022 US\$
Balance as at beginning of year	40,137,529	41,779,432	41,779,432
Additions during the year	15,238,316	166,436	186,781
Disposals during the year	(1,246,816)	(347,412)	(1,133,818)
Transfers to held-for-sale	-	(1,750,114)	(3,075,057)
Fair value gains	-	177,299	2,380,191
Balance at end of the period	<u>54,129,029</u>	<u>40,025,641</u>	<u>40,137,529</u>

During the quarter, the Group disposed of its investment property at Dumfries Road for sale proceeds of US\$1.8 million making a net gain on sale of US\$0.4 million. Additionally, the Group acquired the Grand Harbour Shoppes in the Cayman Islands at a cost of US\$14.9 million during the period.

6. Investment at fair value through profit or loss

	Unaudited September 30, 2023 US\$	Unaudited September 30, 2022 US\$	Audited December 31, 2022 US\$
CGI Fund I	1,000,000	1,206,504	1,000,000
Polaris at Camp Creek LLC	2,244,659	2,244,659	2,244,659
Polaris at East Point	1,620,024	1,620,024	1,620,024
	<u>4,864,683</u>	<u>5,071,187</u>	<u>4,864,683</u>

The company invested in these funds which are measured at fair value. CGI Fund I operates in the United States and holds several Class A commercial properties in Miami. Polaris at Camp Creek and Polaris at East Point are both Delaware LLCs which were formed to acquire and develop multi-family properties in Atlanta. The fair value measurement of the funds have been categorised as a level 3 fair value which includes unobservable inputs in the valuation techniques.

7. Loans payable

	Unaudited September 30, 2023 US\$	Unaudited September 30, 2022 US\$	Audited December 31, 2022 US\$
RBC Bank Loans			
Carrying value	13,559,854	8,216,302	4,420,221
FCIB Bank Loans			
Carrying value	10,359,294	6,774,914	6,624,696
Total loans payable	<u>23,919,148</u>	<u>14,991,216</u>	<u>11,044,917</u>
Less: Current Portion	<u>1,249,500</u>	<u>908,000</u>	<u>918,534</u>
Non-Current Loans Payable	<u>22,669,648</u>	<u>14,083,216</u>	<u>10,126,383</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Nine (9) Months Ended September 30, 2023

7. Loans payable Cont'd

RBC Bank Loan

During the quarter, the group acquired a loan from RBC Cayman amounting to US\$9,500,000 for the purpose of acquiring investment property. The loan matures in 20 years with a 12 month moratorium on principal. It bears interest at the rate of 5.75% fixed for 2 years, and variable thereafter.

FCIB Bank Loan

In February 2023, the Company acquired a loan from FCIB Cayman amounting to US\$4,615,000 for the purpose of acquiring investment property. The loan matures in 10 years and bears interest at the rate of 6.5% fixed for 2 years, after which, interest will be variable at the 3-month SOFR plus 4.5%.

8. Cash and Cash Equivalents

Cash and cash equivalents include short term securities purchased under resale agreements of \$4,376,274 (2022: \$5,177,593) with maturity periods of one to three months. The carrying value of underlying securities purchased under resale agreements approximated their fair values.

9. Segment reporting

The Group has three operating segments which manage investment properties on a geographic portfolio basis. Internal management reports for the segments are reviewed every other month by the Board.

Performance is measured on segment profit before income tax, as included in the internal management reports that are reviewed by the Board. Segment reporting is used to measure performance as management believes that such information is the most relevant in evaluating the results of the segment compared to other entities that operated within these industries. Information regarding the reportable segment is included below.

	Unaudited Nine (9) months ended September 30, 2023				
	Jamaica US\$	United States of America US\$	Cayman Islands US\$	Consolidated adjustments and eliminations US\$	Total Group US\$
Revenues	1,481,673	11,465	1,176,811	-	2,669,949
Profit for the period	718,046	72,191	779,873	-	1,570,110

	Unaudited as at September 30, 2023				
	Jamaica US\$	United States of America US\$	Cayman Islands US\$	Consolidated adjustments and eliminations US\$	Total Group US\$
Segment assets	50,405,590	4,910,988	36,731,068	(21,879,048)	70,168,598
Segment liabilities	11,394,017	4,060,903	19,332,426	(10,119,971)	24,667,375

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Nine (9) Months Ended September 30, 2023

9. Segment reporting (cont'd):

	Unaudited Nine (9) months ended September 30, 2022				Total Group US\$
	Jamaica US\$	United States of America US\$	Cayman Islands US\$	Consolidated adjustments and eliminations US\$	
Rental Revenues	1,351,208	79,216	1,043,468	-	2,473,892
Profit for the period	299,176	436,951	711,471	-	1,447,598

	Unaudited as at September 30, 2022				Total Group US\$
	Jamaica US\$	United States of America US\$	Cayman Islands US\$	Consolidated adjustments and eliminations US\$	
Segment assets	42,265,100	6,916,332	22,469,011	(13,044,278)	58,606,165
Segment liabilities	1,455,848	5,740,268	8,287,892	(40,936)	15,443,072

	Audited Year ended December 31, 2022				Total Group US\$
	Jamaica US\$	United States of America US\$	Cayman Islands US\$	Consolidated adjustments and eliminations US\$	
Rental Revenues	1,851,949	88,717	1,405,738	-	3,346,404
Profit for the year	613,388	36,551	3,149,717	-	3,799,656

	Audited as at December 31, 2022				Total Group US\$
	Jamaica US\$	United States of America US\$	Cayman Islands US\$	Consolidated adjustments and eliminations US\$	
Segment assets	47,559,315	8,144,676	23,558,662	(23,054,760)	56,207,893
Segment liabilities	8,592,846	7,367,352	6,954,992	(11,301,727)	11,613,463

Kingston Properties Limited

SHAREHOLDINGS REPORT AS AT SEPTEMBER 30, 2023

	PRIMARY ACCOUNT HOLDER	VOLUME	%
01	VM INVESTMENTS LIMITED	203,379,834	23.0%
02	PRIME ASSET MANAGEMENT JPS EMPLOYEES SUPERANNUATION FUND	138,584,772	15.7%
03	VMWEALTH PROPERTY FUND	122,401,208	13.8%
04	NATIONAL INSURANCE FUND	67,142,856	7.6%
05	PAM - COURTS (JAMAICA) PENSION PLAN	45,475,068	5.1%
06	PAM - POOLED EQUITY FUND	44,637,958	5.0%
07	PLATOON LIMITED	36,459,155	4.1%
08	PAM-POOLED PENSION REAL ESTATE	25,800,681	2.9%
09	GUARDIAN LIFE SHELTER PLUS FUND	20,680,000	2.3%
10	THE ATL GROUP PENSION FUND TRUSTEE NOMINEE LTD	18,000,000	2.0%
TOTAL		722,561,532	81.7%

DIRECTORS	SHAREHOLDINGS	CONNECTED SHAREHOLDINGS
Garfield Sinclair	Nil	
- Platoon Limited		36,459,155
Nicole Foga	432,830	
Peter J. Reid &		
- Margaret Sylvester-Reid	4,246,263	
Lisa Gomes	672,760	
Gladstone Lewars	667,000	
Phillip Silvera	186,700	
Rezworth Burchenson	421,146	
SENIOR MANAGERS	SHAREHOLDINGS	CONNECTED SHAREHOLDINGS
Kevin G. Richards	2,000,035	
Tatesha Robinson-Rowe	98,746	
- Fenekie Rowe		73,400
Andray Francis		
- Annetta Francis		100,000
Roxanne Kelly	4,600	
Neichelle Spence Lattibeaudiere	Nil	