



**KINGSTON  
PROPERTIES  
LIMITED**

**UNAUDITED GROUP  
FINANCIAL STATEMENT**  
SIX (6) MONTHS ENDED JUNE 30, 2022



**KINGSTON  
PROPERTIES  
LIMITED**

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# UNAUDITED GROUP FINANCIAL STATEMENTS

Six (6) Months Ended June 30, 2022

## FIRST QUARTER HIGHLIGHTS

- Group rental income increased by 13% YOY in 2Q 2022
- EBITDA increased by 16% YOY in 1H 2022
- Net Profit increased by 22% YOY in 2Q 2022
- Book Value per share (BVPS) increased to \$0.04843.

We are pleased to present the unaudited consolidated financial statements for the six months ended June 30, 2022 in United States dollars.

## OVERVIEW

The Group continues to see improved operating results for the second quarter of the 2022 financial year when compared to the prior year, as our properties benefited from additions to the investment portfolio, high occupancy rates and territorial diversity. Inflationary expectations' impact on interest rates, European conflict and continuing pandemic concerns especially in China are obvious headwinds. However favourable signs of recovery, including jobs growth in the US and the elimination of travel restrictions globally have left us cautiously optimistic about our ability to maintain our current growth trajectory. The Group achieved near 100% occupancy by the end of the reporting period and continues to benefit from a tenant base comprised primarily of financial, warehousing & logistics, manufacturing, and government service providers.

## INCOME STATEMENT

**Group rental income** increased by 12.5% year on year for the three months ended June 30, 2022 to \$818,526 compared to \$727,420 for the same period in 2021. The higher year on year figure was mainly due to increases in rents at some of our properties, as well as higher occupancy levels at our properties in Jamaica. For the first six months of the financial year, group rental income increased by 12.5% to \$1.6 million. Direct property and administrative expenses which are reflected in **group operating expenses**, increased by 37.0% during the second quarter from \$299,785 in 2021 to \$410,783 in 2022. For the half year, the increase was 28.2% to \$733,056. The increase is mainly as a function of higher year over year staff costs, due to the increase in our staff complement and higher broker and professional fees which were both one-off expenses recorded during the period. However this was offset by lower homeowners' association dues and property taxes in the US consequent on the continued disposal of our condo units in Florida.

The net effect saw **results of operating activities before gains (NOI)** decreasing by 4.7% year on year for the second quarter of 2022 moving to \$407,743, while **NOI** for the half year increased by 2.1% moving to \$883,240 in 2022 from \$865,295 in 2021. In addition, net operating margin moved from 60.2% in 2021 to 54.6% in 2022 while EBITDA increased from \$1.2 million to \$1.4 million over the same period.

The Group recorded **profit before net finance charges** of \$432,704 in the second quarter of 2022 compared to \$487,578 in the same quarter of 2021, a decrease of 11.3%. For the first six months of the year, there was a 16.1% rise in this item to \$1.34 million from \$1.16 million. The figure in the first half of 2022 included a fair value gain of \$177,299 from the Group's two remaining South Florida condo units

# UNAUDITED GROUP FINANCIAL STATEMENTS

Six (6) Months Ended June 30, 2022

that were re-classified as held for sale based on the receipt of firm offers. The Group disposed of a unit at the W Fort Lauderdale and at the Opera Tower in Miami year-to-date and reported a gain of \$225,794.

For the second quarter of 2022, the Group recorded a **profit before income tax** of \$370,472 compared to \$326,127 in 2021, representing an increase of 13.6%. In the first half of 2022, the Group recorded a **profit before income tax** amounting to \$1.1 million compared to \$953,024 for the same period in 2021. The growth in profit before income tax in the first half of 2022 was tempered by higher net finance costs of \$263,741 compared to \$207,988 for the same period in 2021. The increase was primarily driven by higher interest expense and foreign exchange losses associated with the J\$700 million bridge loan facility which was secured in July 2021.

**Profit after tax** in the second quarter of 2022 amounted to \$367,924 compared to \$302,703 for the second quarter of 2022, representing an increase of 21.5%, while for the six months period, the profit increased by 16.9% to \$1.1 million compared to \$927,202 the prior period.

## BALANCE SHEET

Following the acquisition of several properties over the last twelve months, and the disposal of seven (7) condo units over the same period, **investment properties** (excluding properties held for sale) remained relatively flat year on year at \$40 million. Two condo units totalling a carrying amount of \$1.8 million were held for sale in South Florida during the first half of 2022. During the current period the Group also invested \$1.8 million in Polaris at East Point resulting in an increase of 321.8% to \$5.3 million in our Investment in Real Estate Funds. Total assets stood at \$57.4 million as at June 30, 2022 compared to \$45.0 million the previous year, an increase of 27.6%. This

included cash and near cash holdings of \$7.6 million. The increase in cash balance was mainly due to the net proceeds received from our recently concluded additional public offering (APO).

**Total Equity** increased by 38.3% year on year to \$42.8 million from \$31.0 million in 2021 due primarily to additional share capital and improved retained earnings. Book value per stock unit has improved from US\$0.04574 at June 30, 2021 to US\$0.04843 at June 30, 2022.

**Total loans payable** was approximately \$14.1 million at June 30, 2022 compared with \$13.6 million at June 30, 2021 representing a 3.6% year on year increase in borrowings. These are collateralized bank financing to facilitate the expansion of our property portfolio and are denominated both in US and Jamaican dollars from our financial partners in Jamaica and the Cayman Islands.

We continue to maintain fairly conservative debt ratios as part of our risk management strategy. Our Debt-to-Equity has improved significantly due to our recent successful APO from 43.8% to 32.9% in the current period.

	1H 2021	1H 2022
Total Loans as % of Investment Properties	33.92%	33.69%
Total Loans as % of Total Assets	30.18%	24.52%
Total Loans as % of Total Equity	43.83%	32.85%

**Funds from Operations (FFO)** for the six months ended June 30, 2022 moved from \$717,741 to \$654,543 primarily due to higher interest expenses on the 13-month bridge loan facility and one-off operating expenses recorded during the period.

# UNAUDITED GROUP FINANCIAL STATEMENTS

Six (6) Months Ended June 30, 2022

Funds from Operations	1H 2021	1H 2022
Total comprehensive income year	927,202	1,084,203
Adjusted for Amortization & Non-Operational Items:		
Increase in fair value of Investment Property	(201,038)	(177,299)
Interest Income	(36,913)	(38,879)
Depreciation	9,233	12,312
Loss/(Gain) on Disposal of Investment Property	19,257	(225,794)
	717,741	654,543

## SUMMARY AND OUTLOOK



The diverse nature of our tenant base and geographic diversity continues to offer a level of resilience to our operating income. Further, the deployment of funds raised over the last three years continues to ensure solid results through acquisition of higher yielding assets and improved efficiency in our operations. This is demonstrated by our 5-year compound annual growth rate (CAGR) for rental income and net operating income being 14% and 25%, respectively. We will continue the divestment of the condo portfolio in Florida and this will result in a shift into multifamily properties to reduce valuation volatility and generate higher yields. Recently we acquired an approximately 45% interest in a 118-unit multi-family property in Atlanta, Georgia and are in various stages of completion on value-add transactions in the Cayman Islands and Jamaica. The acquisitions to date have adjusted our exposure (including investments in real estate partnerships) in the US to 14% of the entire portfolio, while Jamaica and the Cayman Islands account for 49% and 36%, respectively.

The Group continues its fundraising efforts to build a portfolio of solid assets consistent with our required risk-return metrics. The Group recently concluded a successful equity raise via an APO, which was partially applied to repaying a 13-month bridge loan from Victoria Mutual Investments Limited and the balance will be used on real estate investment opportunities in our pipeline. We acquired two development properties in Jamaica in 2021 and have established critical milestones which the APO proceeds will greatly assist with executing. We believe that while overall economic conditions remain exposed to multiple extraneous shocks, more assets with value-add opportunities will become available and the Group expects to be positioned to take advantage of these opportunities. We are cognizant of the current inflationary environment and its impact on policy rates in the areas we operate and as such we will continue to monitor its impact on our Operations. We expect interest rates to gradually increase over the medium term and have proactively engaged our financing partners to restructure some of our loan facilities. While this obtains, we will continue to use leverage prudently to increase our investment property portfolio in an effort to continue to build shareholder value.

We continue to execute on our Green Certification Policy initiatives which is to operate and maintain environmentally sustainable operations across our properties. We have engaged the National Environment & Planning Agency as a strategic partner through the Green Business Jamaica (GBJ) Programme to aid us in meeting our target for Green Certification for our properties, both locally and internationally.

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

**Kevin G. Richards**  
Chief Executive Officer

August 10, 2022

## Kingston Properties Limited

# GROUP STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

Six (6) Months Ended June 30, 2022

	<u>Notes</u>	Unaudited Quarter ended June 30, 2022 \$	Unaudited Quarter ended June 30, 2021 \$	Unaudited Six (6) months ended June 30, 2022 \$	Unaudited Six (6) months ended June 30, 2021 \$	Audited Year ended December 31, 2021 \$
Rental income		818,526	727,420	1,616,296	1,437,115	2,981,417
Operating expenses		<u>(410,783)</u>	<u>(299,785)</u>	<u>(733,056)</u>	<u>(571,820)</u>	<u>(1,283,008)</u>
Results of operating activities before other income/gains		407,743	427,635	883,240	865,295	1,698,409
Other income / gains:						
Increase in fair value of investment property		-	-	177,299	201,038	1,372,554
Gain/(loss) on disposal of investment properties		2,166	(2,450)	225,794	(19,257)	243,415
Impairment loss on financial assets		-	-	-	-	(15,000)
Management fees		19,047	15,456	41,339	36,137	76,117
Miscellaneous income		3,748	46,937	20,377	77,799	146,940
Operating profit		432,704	487,578	1,348,049	1,161,012	3,522,435
Finance income		140,586	14,060	135,259	36,913	148,986
Finance cost		<u>(202,817)</u>	<u>(175,511)</u>	<u>(399,000)</u>	<u>(244,901)</u>	<u>(574,543)</u>
Net finance costs	4	<u>(62,231)</u>	<u>(161,451)</u>	<u>(263,741)</u>	<u>(207,988)</u>	<u>(425,557)</u>
Profit before income tax		370,473	326,127	1,084,308	953,024	3,096,878
Income tax charge		<u>(2,548)</u>	<u>(23,424)</u>	<u>(104)</u>	<u>(25,822)</u>	<u>(78,566)</u>
Total comprehensive income for the period / year		<u>367,925</u>	<u>302,703</u>	<u>1,084,204</u>	<u>927,202</u>	<u>3,018,312</u>
Earnings per share for profit attributable to the equity holders of the Company:						
Earnings per stock unit (\$):	5	<u>0.0005</u>	<u>0.0004</u>	<u>0.0016</u>	<u>0.0014</u>	<u>0.0045</u>

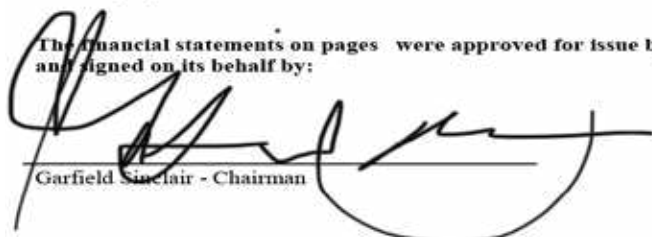
## Kingston Properties Limited

# GROUP STATEMENT OF FINANCIAL POSITION (UNAUDITED)

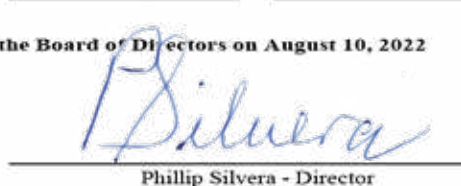
Six (6) Months Ended June 30, 2022

	Notes	Unaudited as at June 2022 \$	Unaudited as at June 2021 \$	Audited as at December 31, 2021 \$
<b>NON-CURRENT ASSETS</b>				
Investment properties	7	40,025,871	40,057,606	41,779,432
Investment in Real Estate Fund	8	5,264,663	1,248,035	3,451,163
Restricted cash		1,969	482,049	1,969
Furniture, software and equipment		199,246	199,830	208,099
<b>Total non-current assets</b>		<b>45,491,749</b>	<b>41,987,520</b>	<b>45,440,663</b>
<b>CURRENT ASSETS</b>				
Deposit on investment property		1,890,831	201,579	1,232,761
Investment properties held for sale	7	1,750,114	-	497,250
Receivables and prepayments		605,323	633,571	581,436
Income tax recoverable		41,805	-	11,199
Cash and cash equivalents		7,631,593	2,186,846	2,707,039
<b>Total current assets</b>		<b>11,919,666</b>	<b>3,021,996</b>	<b>5,029,685</b>
<b>Total assets</b>		<b>57,411,415</b>	<b>45,009,516</b>	<b>50,470,348</b>
<b>EQUITY</b>				
Share capital		34,990,646	25,316,779	25,316,337
Treasury shares		-	(442)	-
Cumulative translation reserve		(1,488,861)	(1,488,861)	(1,488,861)
Retained earnings		9,341,225	7,165,872	8,807,021
<b>Total equity</b>		<b>42,843,010</b>	<b>30,993,348</b>	<b>32,634,497</b>
<b>NON-CURRENT LIABILITIES</b>				
Loans payable	9	13,167,425	12,449,138	11,869,797
Deferred tax liabilities		51,473	-	51,473
<b>Total non-current liabilities</b>		<b>13,218,898</b>	<b>12,449,138</b>	<b>11,921,270</b>
<b>CURRENT LIABILITIES</b>				
Loans payable	9	908,000	1,136,485	5,374,156
Accounts payable and accrued charges		430,465	425,923	529,383
Income tax payable		11,042	4,622	11,042
<b>Total current liabilities</b>		<b>1,349,507</b>	<b>1,567,030</b>	<b>5,914,581</b>
<b>Total equity and liabilities</b>		<b>57,411,415</b>	<b>45,009,516</b>	<b>50,470,348</b>

The financial statements on pages were approved for issue by the Board of Directors on August 10, 2022 and signed on its behalf by:



Garfield Sinclair - Chairman



Phillip Silvera - Director

Kingston Properties Limited

# GROUP STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

Six (6) Months Ended June 30, 2022

	Share capital \$	Treasury shares \$	Cummulative translation reserve \$	Retained earnings \$	Total \$
<b>Audited, balances at</b>					
December 31, 2020 as previously reported	25,316,779	-	(1,488,861)	6,688,638	30,516,556
Transaction with owners of the company:					
Shares repurchased		(442)	-	-	(442)
Profit, being comprehensive income for the period	-	-	-	927,202	927,202
Dividends paid, being total distribution to owners	-	-	-	(449,968)	(449,968)
<b>Unaudited, balances at June 30, 2021</b>	<u>25,316,779</u>	<u>(442)</u>	<u>(1,488,861)</u>	<u>7,165,872</u>	<u>30,993,348</u>
<b>Audited, balances at December 31, 2021</b>	25,316,337	-	(1,488,861)	8,807,021	32,634,497
Transactions with owners of the company:					
Issuance of Share Capital	9,674,309	-	-	-	9,674,309
Profit, being comprehensive income for the period	-	-	-	1,084,204	1,084,204
Dividends paid, being total distribution to owners	-	-	-	(550,000)	(550,000)
<b>Unaudited, balances at June 30, 2022</b>	<u>34,990,646</u>	<u>-</u>	<u>(1,488,861)</u>	<u>9,341,225</u>	<u>42,843,010</u>

## Kingston Properties Limited

# GROUP STATEMENT OF CASH FLOWS (UNAUDITED)

Six (6) Months Ended June 30, 2022

	Unaudited Six (6) months ended June 2022 \$	Unaudited Six (6) months ended June 2021 \$	Audited Year ended December 31, 2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit for the period / year</b>	<b>1,084,204</b>	927,202	3,018,312
<b>Adjustments for:</b>			
Income tax charge	104	25,822	78,566
Depreciation	12,312	9,233	20,078
Interest income	(38,879)	(36,913)	(60,850)
Interest expense	399,000	213,390	497,853
Increase in fair value revaluation of investment property	(177,299)	(201,038)	(1,372,554)
Impairment losses on financial assets	-	-	15,000
(Gain) / loss on disposal of investment property	(225,794)	19,257	(243,415)
Exchange losses	(59,669)	-	-
Operating profit before changes in working capital	<u>993,979</u>	<u>956,953</u>	<u>1,952,990</u>
<b>Changes in:</b>			
Other receivables	(23,887)	(38,348)	(4,111)
Accounts payable and accrued charges	(115,809)	22,312	185,556
Income tax paid	(7,250)	(315)	(6,402)
<b>Net cash provided by operations</b>	<u>847,033</u>	<u>940,602</u>	<u>2,128,033</u>
<b>Cash flows from investing activities</b>			
Interest received	38,879	36,913	63,748
Additions to office equipment	(3,459)	(39,576)	(61,661)
Additions to investment property	(162,270)	(1,927,186)	(5,486,109)
Investment in Real Estate Fund	(1,813,500)	(961,678)	(2,831,391)
Deposit on property	(658,070)	(201,579)	-
Proceeds of disposal of investment property	1,066,059	240,000	1,431,473
<b>Net cash used in by investing activities</b>	<u>(1,532,361)</u>	<u>(2,853,106)</u>	<u>(6,883,940)</u>
<b>Cash flows from financing activities</b>			
Interest paid	(345,899)	(188,854)	(519,835)
Dividends paid	(550,000)	(449,968)	(888,152)
Loan received	1,768,950	341,178	4,470,410
Loan repaid	(4,937,478)	(474,384)	(950,937)
Restricted cash	-	85	480,165
Issuance of share capital	9,674,309	-	-
Treasury shares	-	(442)	(442)
<b>Net cash provided by / (used in) financing activities</b>	<u>5,609,882</u>	<u>(772,385)</u>	<u>2,591,209</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>4,924,554</u>	<u>(2,684,889)</u>	<u>(2,164,698)</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>2,707,039</u>	<u>4,871,736</u>	<u>4,871,737</u>
<b>Cash and cash equivalents at end of period / year</b>	<u>7,631,593</u>	<u>2,186,847</u>	<u>2,707,039</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Six (6) Months Ended June 30, 2022

## 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 of 1999 on December 29, 2021; and its wholly owned subsidiaries KPREIT (Cayman) Limited, incorporated in the Cayman Islands and its subsidiary Kingston Properties Miami LLC, incorporated in Florida under the Florida Limited Liability Company Act
- (ii) KP (Reit) Jamaica Limited, incorporated on September 14, 2018, in Jamaica under the Companies Act.
- (iii) KP (Reit) Dumfries Jamaica Ltd, 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, 2021. The explanatory notes attached to the interim financial 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, 2021.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended December 31, 2021.

### (b) Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions 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.

## 3. PANDEMIC-COVID 19

The World Health Organisation in March 2020 declared the coronavirus, COVID-19, as a global pandemic. The Group implemented measures to minimise pandemic's impact on its operations. The Group has not had significant fallout due to the pandemic as there were no changes to existing rent agreements or rent concessions and the Group continued its strategy of increasing its investment property portfolio. The Group continues to experience resilience in its operations with high occupancy and significant growth in revenues. Having assessed the COVID-19 impact and various possible outcomes, Management believes all necessary measures are in place to ensure the continuity of the Group.

## Kingston Properties Limited

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Six (6) Months Ended June 30, 2022

#### 4. Finance costs

	Unaudited Six month ended June 30, 2022 \$	Unaudited Six month ended June 30, 2021 \$	Audited Year end December 31, 2021 \$
Finance income			
Interest income	<u>11,242</u>	<u>14,060</u>	<u>60,850</u>
Foreign exchange gains arising from investing and financing activities:			
Net gains on conversion of foreign currency investments and borrowings	<u>129,344</u>	<u>-</u>	<u>88,136</u>
Total finance income	<u>140,586</u>	<u>14,060</u>	<u>148,986</u>
Finance costs:			
Foreign exchange losses	-	(64,656)	-
Interest expense	(174,346)	(105,602)	(497,853)
Commitment fees	(28,471)	(5,253)	(76,690)
Total finance costs	<u>(202,817)</u>	<u>(175,511)</u>	<u>(574,543)</u>
Net finance costs	<u>(62,231)</u>	<u>(161,451)</u>	<u>(425,557)</u>

#### 5. 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 Six months ended June 30, 2022	Unaudited Six months ended June 30, 2021	Audited Year ended December 31, 2021
Weighted average number of ordinary stock units held during the year	677,652,928	677,662,399	677,652,928
Earnings per share (\$)	<u>0.0016</u>	<u>0.0014</u>	<u>0.0045</u>

#### 6. Increase in authorised share capital

At an Extra-ordinary General Meeting held on February 23, 2021, the Company's ordinary shareholders approved a resolution to increase the number of authorised ordinary shares from 1,000,000,000 to 2,000,000,000. During the period, the company executed an Additional Public Offer in which 206,956,366 new shares were issued and fully paid. As at the reporting date, the total number of shares issued and fully paid was 884,609,294 (June 2021: 677,652,928)

## Kingston Properties Limited

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Six (6) Months Ended June 30, 2022

**7. Investment properties**

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

	Unaudited June 30, 2022 US\$	Unaudited June 30, 2021 US\$	Audited December 31, 2021 US\$
(i) Jamaica	23,870,755	20,954,377	23,708,410
(ii) Cayman Islands	16,155,116	16,035,550	16,150,796
(iii) United States of America	-	3,067,679	1,920,226
	<u>40,025,871</u>	<u>40,057,606</u>	<u>41,779,432</u>

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

	Unaudited June 30, 2022 US\$	Unaudited June 30, 2021 US\$	Audited December 31, 2021 US\$
Balance as at beginning of year	41,779,432	38,130,420	38,130,420
Additions during the year	166,666	1,927,186	4,253,348
Disposals during the year	(526,500)	-	(945,087)
Transfers to held-for-sale	(1,750,114)	-	(497,250)
Fair value gains	356,387	-	838,001
Balance at end of the period	<u>40,025,871</u>	<u>40,057,606</u>	<u>41,779,432</u>

**8. Investment in real estate fund**

As at December 2021, the Company held 1,000,000 units of the CGI Fund I which owns several Class A investment properties in Miami, as well as 1,831,391 units in the Polaris at Camp Creek, a Delaware LLC which was formed to acquire and develop a multi-family property in Atlanta. During the current period, the company also acquired 1,813,500 units in Polaris at East Point, a Delaware LLC formed to acquire a 120 unit multi-family property in Atlanta. These funds are measured at fair value. The fair value measurement of the funds have been categorised as a level 3 fair value which includes unobservable inputs in the valuation techniques.

**9. Loans payable**

	Unaudited June 30, 2022 US\$	Unaudited June 30, 2021 US\$	Audited December 31, 2021 US\$
RBC Bank Loans			
Carrying value	8,339,730	8,860,252	8,600,564
FCIB Bank Loans (i)			
Carrying value	5,735,695	4,384,191	4,172,979
VMIL Bridge Loan facility (ii)			
Carrying value	-	341,180	4,470,410
Total loans payable	14,075,425	13,585,623	17,243,953
Less: Current Portion	908,000	1,136,485	5,374,156
<b>Non-Current Loans Payable</b>	<u>13,167,425</u>	<u>12,449,138</u>	<u>11,869,797</u>

**(i) FCIB Loan**

This includes a new US\$3 million facility of which US\$1.8 million was disbursed as at June 2022. The loan is for 10 years at a fixed interest rate of 5.25% p.a. for 36 months and variable rate thereafter. The full loan amount has been disbursed subsequent to the period and used to finance the acquisition of investment properties.

**(ii) VMIL Loan**

This loan represents a JS\$700 million 13-month bridge loan with VMIL to continue the expansion of the Company's property portfolio. The loan was fully repaid during the period.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Six (6) Months Ended June 30, 2022

## 10. Segment reporting

The Group has three operating segments, rental of real estate, which includes the earning of income from the ownership of real estate. Internal management reports are reviewed monthly by the Board. Information regarding the reportable segment is included below.

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.

	Unaudited Six (6) months ended June 30, 2022				
	Jamaica \$	United States of America \$	Cayman \$	Consolidated adjustments and eliminations \$	Total Group \$
Revenues	872,634	55,716	687,946	-	1,616,296
Profit for the period	193,213	423,725	467,266	-	1,084,204

	Unaudited as at June 30, 2022				
	Jamaica \$	United States of America \$	Cayman \$	Consolidated adjustments and eliminations \$	Total Group \$
Segment assets	44,643,320	7,074,669	22,354,228	(16,660,802)	57,411,415
Segment liabilities	3,895,994	5,911,831	8,418,040	(3,657,460)	14,568,405

## Kingston Properties Limited

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Six (6) Months Ended June 30, 2022

## 10. Segment reporting (cont'd):

	Unaudited Six (6) months ended June 30, 2021				
	Jamaica \$	United States of America \$	Cayman \$	Consolidated adjustments and eliminations \$	Total Group \$
Revenues	656,453	115,415	665,247	-	1,437,115
Profit for the period	233,709	208,610	484,883	-	927,202

	Unaudited as at June 30, 2021				
	Jamaica \$	United States of America \$	Cayman \$	Consolidated adjustments and eliminations \$	Total Group \$
Segment assets	36,571,448	4,535,868	14,685,057	(10,782,857)	45,009,516
Segment liabilities	5,309,208	4,702,728	8,635,160	(4,630,928)	14,016,168

	Audited Year ended December 31, 2021				
	Jamaica \$	United States of America \$	Cayman \$	Consolidated adjustments and eliminations \$	Total Group \$
Revenues	1,442,432	201,319	1,337,666	-	2,981,417
Profit for the year	854,548	1,116,249	1,047,515	-	3,018,312

	Audited as at December 31, 2021				
	Jamaica \$	United States of America \$	Cayman \$	Consolidated adjustments and eliminations \$	Total Group \$
Segment assets	50,192,199	4,935,848	21,362,096	(26,019,795)	50,470,348
Segment liabilities	14,383,030	4,195,072	9,093,045	(9,835,296)	17,835,851

Kingston Properties Limited

# SHAREHOLDINGS REPORT AS AT JUNE 30, 2022

Six (6) Months Ended June 30, 2022

## TOP 10 SHAREHOLDERS FOR KINGSTON PROPERTIES LIMITED

AS AT JUNE 30, 2022

	PRIMARY ACCOUNT HOLDER	VOLUME	PERCENTAGE
1	VMWEALTH PROPERTY FUND	237,885,179	35.1043
2	PRIME ASSET MANAGEMENT JPS EMPLOYEES SUPERANNUATION FUND	138,584,772	20.4507
3	PAM - COURTS (JAMAICA) PENSION PLAN	45,475,068	6.7107
4	PAM - POOLED EQUITY FUND	40,786,101	6.0187
5	PLATOON LIMITED	31,018,806	4.5774
6	NATIONAL INSURANCE FUND	27,142,856	4.0054
7	PAM-POOLED PENSION REAL ESTATE	25,800,681	3.8074
8	GUARDIAN LIFE SHELTER PLUS FUND	20,680,000	3.0517
9	SAGICOR LIFE- LASCELLES DEMERCADO DEFINED CONTRIBUTION FUND	17,793,565	2.6258
10	GUARDIAN LIFE POOLED PENSION FUND	10,000,000	1.4757
	<b>Total Issued Capital:</b>	<b>677,652,928</b>	
	<b>Total Units Owned by Top 10 Shareholders:</b>	<b>595,167,028</b>	
	<b>Total Percentage Owned by Top 10 Shareholders:</b>	<b>87.8277%</b>	

### DIRECTORS AND CONNECTED PARTIES SHAREHOLDINGS REPORT AS AT JUNE 30, 2022

DIRECTORS	SHAREHOLDINGS	CONNECTED SHAREHOLDINGS
Garfield Sinclair - Platoon Limited	Nil	31,018,806
Nicole Foga	245,730	Nil
Peter J. Reid & Margaret Sylvester-Reid	4,246,263	Nil
Lisa Gomes	459,460	Nil
Gladstone "Tony" Lewar	Nil	Nil
Phillip Silvera	Nil	Nil
Rezworth Burchenson	421,146	Nil

SENIOR MANAGERS	SHAREHOLDINGS	CONNECTED SHAREHOLDINGS
Kevin Richards	794,635	Nil
Andray Francis	Nil	Nil
Tatesha Rowe - Fenekie Rowe	28,746	30,000
Roxanne Kelly	1,200	Nil