

West Hamilton Holdings Limited

71 Pitts Bay Road

Pembroke HM 08

Annual report to Shareholders.

The Company is pleased to present its audited financial results for the fiscal year ending 30 September 2023.

Income Statement

The Company earned net operating income for the year of \$1,216,380 (2022: \$1,077,923).

Total revenue for the year was \$3,003,395 (2022: \$3,072,418) . The marginal decrease was caused by lower occupancy levels in the Belvedere Building. During the year, the parking garage was fully occupied and as in previous years had a long waiting list. The Belvedere Residences remains fully occupied with tenants on long term leases.

Operating expenses decreased by 46.0 percent due to a lower depreciation charge. The decrease is net of one-off legal expenses of \$264,734 relating to the sale of 69 and 71 Pitts Bay Road (see below). Interest expense increased to more than double the amount paid in 2022 due to significantly higher interest rates. The Company generated free cash of \$1,825,566, which was used mainly to fund interest expense and pay down bank debt.

The income per share was \$0.91 for the year compared to a loss per share of \$(1.76) in 2022. The book value per share increased by 8.1 per cent to \$12.03 per share due to a \$1.42 million increase in the valuation of the Company's properties and the Company's net income of \$1.17 million.

Balance Sheet

The Company reported total shareholders' equity as at 30 September 2023 of \$35.0 million (30 September 2022: \$32.5 million) an increase of \$2.5 million.

Current assets, which include cash and other assets that could readily be converted into cash, totaled \$2,047,350 as at 30 September 2023 compared with \$1,686,449 as at 30 September 2022. Total assets amounted to \$44.1 million compared with \$42.3 million at the end of 2022.

Subsequent Events

On 14 March 2023 the Company announced that it had entered into an agreement and plan of merger with PRINCESS WEST LIMITED for the sale of 69 and 71 Pitts Bay Road. The completion of the sale occurred on 14 November 2023.

The net proceeds from the sale were used to reduce the Company's bank debt by \$3.1 million and a total dividend of \$6.75 per share (comprising the normal annual dividend of \$0.50 per share and a \$6.25 special dividend per share) was paid to shareholders on 19 November 2023.

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The Company now has one remaining property asset, The Belvedere Residences, a mixed use building located at 71A Pitts Bay Road that houses nine executive condominiums, two of which have been sold, a penthouse office suite and two ground floors occupied by a state-of-the-art gymnasium.

In September 2023 the Belvedere Residences was valued by an independent property appraiser who estimated the value to be \$19.0 million. The Company's bank debt following the \$3.1 million repayment is approximately \$5.2 million.

WEST HAMILTON HOLDINGS LIMITED
16 February, 2024