LAPTRUST IMARA I-REIT EARNINGS NOTE– H1’2026
10th August 2026

Laptrust released the H1’2026 financial results for the Imara I-REIT for the period ended 30th June 2026. The I-REIT was authorized by the Capital Markets Authority (CMA) on 1st November 2022. Laptrust Imara I-REIT holds several properties across the country including; Pension towers, CPF House, Metro Park, Freedom Heights mall, Freedom Heights serviced plot, Man apartments, and Nova Pioneer in Eldoret.

Below is a summary of the Laptrust Imara I-REIT’s H1’2026 Performance.

Figures in Kshs mn unless stated otherwise			
Balance Sheet	**H1'2025**	**H1'2026**	**y/y Change**
Total Assets	6,918.9	6,354.6	(8.2%)
Total Equity	6,379.7	5,868.5	(8.0%)
Total Liabilities	539.2	486.1	(9.8%)

Figures in Kshs mn unless stated otherwise			
Income Statement	**H1'2025**	**H1'2026**	**y/y Change**
Rental Income	247.2	124.6	(49.6%)
Income from Other Sources	57.9	51.7	(10.7%)
Operating Expenses	224.2	118.5	(47.1%)
Profit/Loss	**80.9**	**57.8**	**(28.5%)**
Basic EPS (Kshs)	**0.23**	**0.17**	**(28.5%)**

Figures in Kshs mn unless stated otherwise			
Ratios Summary	**H1'2025**	**H1'2026**	**y/y Change**
ROA	1.2%	0.9%	(0.3%)
ROE	1.3%	1.0%	(0.3%)
Debt Ratio	7.8%	7.6%	(0.1%)
PBT Margin	32.7%	46.4%	13.7%
Annualized Rental Yield	8.1%	4.4%	(3.7%)

Income Statement:

- Rental and related income for the REIT stood at Kshs 124.6 mn in H1’2026, a 49.6% decrease from Kshs 247.2 mn in H1’2025, implying a gross annual rental yield of 8.1% in H1‘2026 on interest-earning assets, 3.7% points lower than the 4.4% rental yield recorded during H1’2025. This decrease is attributable to 49.6% decrease in rental and related income which outpaced the 8.6% decrease in investment property to Kshs 5.7 bn from Kshs 6.2 bn in H1’2025,
- The basic earnings per unit came in at Kshs 0.17 in H1’2026, a 37.2% decline from Kshs 0.23 recorded in H1’2025. The performance was driven by a 28.5% decrease in net profits to Kshs 57.8 mn in H1’2026 from Kshs 80.9 mn recorded in H1’2025, which was attributable to the 49.6% decrease in revenues.
- Total operating expenses in H1'2026 for the REIT came in at Kshs 118.5mn, 47.1% lower than the Kshs 224.2mn recorded in H1'2025, attributed to a 56.8% decrease in utility expenses to Kshs 64.7mn from Kshs 148.5mn in H1’2025, a 38.6% decrease in property expenses to Kshs 24.4mn from Kshs 39.7mn , and a 15.3% decrease in fund operating expenses to Kshs 29.4mn from Kshs 34.7mn in H1’2024. The decline in property expenses was largely driven by a 53.7% decrease in landlord service charge expenses to Kshs 14.3mn from Kshs 30.9mn in H1'2025, which outpaced a 6.4% increase in landlord property operating expenses to Kshs 10.0mn from Kshs 9.4mn. Similarly, the decrease in fund operating expenses was mainly attributable to a 90.0% decrease in provisions for bad debts, which fell

to Kshs 0.5mn from Kshs 5.0mn in H1'2025, coupled with a 21.1% decrease in REITs manager fees to Kshs 1.5mn from Kshs 1.9mn, while other components such as trustee fees, audit fees, and marketing and PR expenses remained largely flat

Balance Sheet:

- Total assets for the REIT stood at Kshs 6.4 bn in H1’2026, an 8.2% decrease from Kshs 6.9 bn recorded in H1’2025. Total non-current assets decreased by 7.9% to Kshs 5.8 bn from Kshs 6.3 bn in H1’2025 , attributable to 8.6% decrease in investment property to Kshs 5.7 bn from Kshs 6.2 bn in H1’2025, while total current assets decreased by 10.9% to Kshs 0.5 bn from Kshs 0.6 bn in H1’2025 attributable to a 28.7% decrease cash and cash equivalents to Kshs 0.2 bn from Kshs 0.3 bn coupled with a 9.6% increase in trade and other receivables to Kshs 0.31 bn from Kshs 0.3 bn in H1’2025.
- Total liabilities in H1’2026 came in at Kshs 0.48 bn, recording a 9.8% decrease from Kshs 0.5 bn in H1’2025 wholly attributable to a decrease in trade and other payables,
- The shareholder’s funds decreased by 8.0% to Kshs 5.9 bn from Kshs 6.4 bn in H1’2025, mainly attributable to 72.4% increase in revaluation reserve to Kshs 1.3 bn from Kshs 0.7 bn in H1’2025, which outpaced the 14.4% increase in retained earnings to Kshs 229.5 mn from Kshs 200.6 mn in H1’2025.
- The REIT currently has a Return on Asset and a Return on Equity of 0.9% and 1.0% respectively.

Going forward,

- We expect the expiry of the three-year trading restriction period in 2026 to mark a key inflection point for the I-REIT, as pricing transitions from a net asset value (NAV)-based model to a market-driven mechanism. However, the REIT’s weak operational performance, characterized by declining rental income, compressed yields, and negative returns, may weigh on investor sentiment and result in units trading at a discount to NAV once price discovery sets in.