

KKR

KKR Real Estate Finance Trust Inc.

2025 ANNUAL REPORT
NYSE: KREF



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KKR Real Estate Finance Trust Inc.;
Partner and Chairman of Real Assets, KKR

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Vice Chairman of the Board of Directors,
KKR Real Estate Finance Trust Inc.;
Partner and President of Global Real Estate, KKR

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Chief Executive Officer,
KKR Real Estate Finance Trust Inc.;
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Matthew A. Salem

Chief Executive Officer

W. Patrick Mattson

President, Chief Operating Officer and Secretary

Kendra L. Decious

Chief Financial Officer and Treasurer

Headquarters

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Independent Registered Public Accounting Firm

Deloitte & Touche LLP

30 Rockefeller Plaza, New York, NY 10112
Phone: 212-492-4000
www.deloitte.com

Available Information

We make available free of charge under the Investor Relations section of our website, www.kkrreit.com, filings we make with the Securities and Exchange Commission and other information about the Company. Filings we make with the Securities and Exchange Commission may also be accessed free of charge on the Securities and Exchange Commission's publicly available website, www.sec.gov.

Investor Relations

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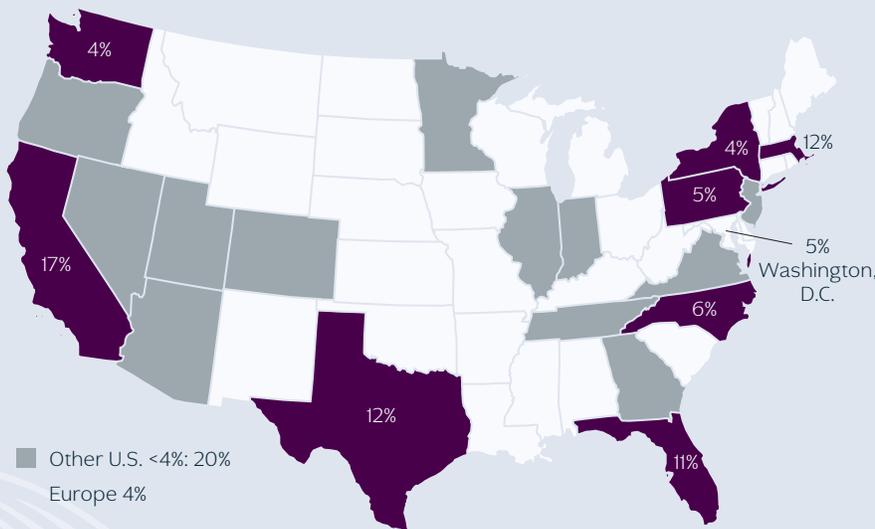
KKR Real Estate Finance Trust Inc.

KKR Real Estate Finance Trust Inc. (NYSE: KREF) is a real estate finance company focused primarily on originating floating rate senior loans secured by institutional-quality commercial real estate properties that are owned and operated by experienced and well-capitalized sponsors and located in top markets with strong underlying fundamentals.

Total Portfolio Highlights

As of December 31, 2025

\$5.9B Commercial Real Estate Portfolio



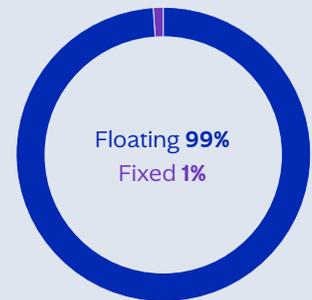
Total Portfolio Size, (\$B)¹



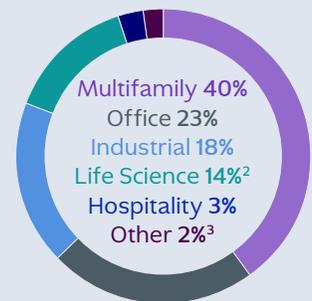
Loan Type



Interest Rate Type



Property Type



1. Includes loans, real estate assets, CMBS and other investments.

2. KREF classifies a loan as Life Science if more than 50% of the gross leasable area is leased to, or will be converted to, life science-related space.

3. "Other" property types include: 2% Student Housing and <1% Mixed Use.

Dear Fellow Shareholders



Matt Salem
Chief Executive Officer

As we reflect on the past year, KKR Real Estate Finance Trust Inc. (“KREF” or the “Company”) delivered another year of disciplined execution. In 2026, we will mark our ninth year as a public company. We believe our business is well positioned to capitalize on opportunities across the market through KKR’s expansive real estate platform.

Investor sentiment for commercial real estate continues to improve, and we believe the lending environment remains compelling. The reset in property valuations has enabled us to originate loans on high-quality assets at meaningful discounts to replacement cost. We expect strong demand for both refinancing and acquisition loans, driven by a significant volume of loan maturities in 2026 and increased transaction activity supported by strengthening supply-demand dynamics. In addition, back leverage available to finance our senior loan positions remains attractive as banks re-enter the market and increasingly expand these facilities.



2025 Review

2025 was a year defined by meaningful progress.

First, we advanced our work across the portfolio, addressing watch list loans and making targeted decisions on real estate owned (“REO”) assets to maximize value. In 2026, we plan to further resolve watch list loans and REO assets through an aggressive and disciplined resolution strategy.

Second, repayment activity remained robust throughout 2025, generating capital to redeploy into new originations. We are projecting over \$1.5 billion of repayments in 2026, which would exceed repayment activity in each of the last two years.

Third, we closed our first European real estate credit investment for KREF in October 2025 and expect to expand our European footprint in the coming year. This milestone enhances our ability to capture relative value opportunities across both the U.S. and Europe.

Fourth, we refinanced and upsized our Term Loan B in a constructive capital markets environment, enabling us to reduce the coupon to SOFR + 250 basis points on a \$650 million facility maturing in 2032.

As always, we evaluate capital allocation through a relative value lens, including share repurchases. During the year, we repurchased \$43 million of KREF common stock, generating approximately \$0.32 of book value accretion per share. We ended the year with ample liquidity and a stable foundation to support future originations while maintaining flexibility to actively manage the portfolio.



KKR Partnership Across the Real Estate Credit Platform

KREF benefits from being externally managed by KKR, a leading global real estate investor. The breadth of KKR's real estate platform, across both debt and equity, provides differentiated sourcing, market intelligence, and capital markets capabilities.

KREF is also supported by our dedicated asset management platform, K-Star, which plays an important role in driving outcomes. As of year-end, K-Star managed over \$37 billion of loans and served as special servicer on an additional \$45 billion of commercial mortgage-backed securities.

Importantly, KKR remains our largest shareholder, owning approximately 16% of the Company, underscoring strong alignment and a long-term focus on value creation.



Multifamily represents our largest property type exposure at approximately 40% of the loan portfolio and has demonstrated resilience across market cycles, particularly within the Class A segment.

Portfolio Positioned in Top Markets

Our lending strategy targets high-quality real estate located in top-tier markets and owned by institutional sponsors.

Multifamily represents our largest property type exposure at approximately 40% of the loan portfolio and has demonstrated resilience across market cycles, particularly within the Class A segment.

While our portfolio is concentrated in high-quality assets in leading markets, our life science exposure remains cyclically challenged. Elevated supply, slower tenant decision-making, and reduced capital availability have extended lease-up timelines. That said, we have begun to see encouraging signs of leasing activity across select assets, and we continue to work proactively with sponsors to strengthen our basis and position these investments for recovery as fundamentals improve.

Strong Liquidity and Non-Mark-to-Market Capacity

Our balance sheet continues to differentiate KREF.

Working closely with KKR Capital Markets, we ended the year with over \$875 million of available liquidity. As of year-end, we had \$8.2 billion of diversified financing sources, with 74% of secured financing structured as fully non-mark-to-market and the remainder mark-to-credit only. We have no corporate debt maturities until 2030 and substantial capital available to support new investments.



We remain focused on disciplined capital allocation, prudent risk management, and long-term value creation.



Looking Forward

We view 2026 as a year of transition. Our priority is to exit a substantial portion of our REO and watch list portfolio and redeploy that capital into new investments.

The focus on these investments over the past several years, while leveraging the full breadth of the KKR platform, has positioned us for this monetization phase. A recent example is the full-building lease at our Mountain View office property, our largest REO exposure. At the time of foreclosure, market expectations were limited. Through patience, repositioning, and active asset management, we executed on our view that this high-quality asset would recover more quickly than anticipated — and that thesis has proven correct.

Executing this strategy will come at a cost and will place near-term pressure on earnings. However, we believe it will result in optimizing value, a more resilient portfolio and improved earnings visibility over time. Our objective is to narrow the gap between our share price and book value by simplifying the portfolio and enhancing credit transparency.

We remain focused on disciplined capital allocation, prudent risk management, and long-term value creation.

On behalf of the management team, the Board of Directors, and the broader KKR real assets business, thank you for your continued support. We look forward to building on this momentum in the year ahead.

Sincerely,

Matt Salem

Chief Executive Officer

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