



**SENTINEL
COMMERCIAL
REAL ESTATE
INVESTMENT PLC**

2024
ANNUAL REPORT

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TRUST INFORMATION

1 BOARD OF DIRECTORS OF THE FUND MANAGER

Kwaku Okae Okoh
Kofi Duodu Asomaning
Muina Wosornu
Nene Kisseih Antonio
Yehonatan Narh Ayertey

2 FUND MANAGER

Sentinel Asset Management Limited
1st Floor, One Airport Square
Airport City, Accra
Tel: +233 548 102 438
Email: info@sentinelaml.com

3 SECRETARY

Keystone Solicitors

4 BANKER

Standard Chartered Bank Ghana PLC
Head Office,
87 Independence Avenue,
P O Box 768, Accra – Ghana
SC.com/gh

5 AUDITOR

Resolute Consult
Chartered Accountants
Behind Fidelity Bank, Haatso
Branch Off Haatso Atomic Road,
Accra
P.O.Box DT 2701
Adenta, Accra

6 REGISTERED ADDRESS

House No. 13, Alema Avenue
Airport Residential Area, Accra

NOTICE OF MEETING

Notice is hereby given that the 1st Annual General Meeting ("**AGM**") of the shareholders of Sentinel Commercial Real Estate Investment PLC ("**SCREIT**") or (the "**Company**") will be held virtually on **Microsoft Teams** at **11:00am** on **Wednesday 11th June 2025** to transact the following business:

AGENDA

1. To receive the Report of the REIT Manager for the Year ended 31 December 2024.
2. To consider and adopt the Annual Report and the Audited Financial Statements of Sentinel Commercial Real Estate Investment PLC for the financial year ended 31 December 2024, together with the Custodian's Report and Auditor's Report.
3. Retirement of Directors in accordance with the Constitution of the Company and Section 325 of the Companies Act, 2019 (Act 992).
4. To consider and approve Directors' fees.
5. To confirm Auditor's fees for 2024 and authorise Directors to fix Auditor's fees for 2025.
6. To consider any other business.
7. Closing

Ordinary Resolutions:

1. That the Annual Report and the Audited Financial Statements of Sentinel Commercial Real Estate Investment PLC for the financial year ended 31 December 2024, together with the Trustee's Report and Auditor's Report be received and adopted.
2. That Mr. Kofi Duodu Asomaning, an existing director of the Company, be re-elected to office as a director of the Company.
3. That Mr. Yehonatan Ayertey, an existing director of the Company, be re-elected to office as a director of the Company.
4. That Mr. Kwaku Okae Okoh, an existing director of the Company, be re-elected to office as a director of the Company.
5. That Ms. Muina Wosornu, an existing director of the Company, be re-

elected to office as a director of the Company.

6. That the Directors' fees be approved.
7. That the Auditor's fees are confirmed.
8. That the Directors are hereby authorised to fix Auditor's fees for 2025.

By Order of the Board of Directors

Keystone Solicitors
Company Secretary
Dated this 29th day of April 2025

NOTE:
Online Participation

Attendance and participation by all shareholders and/or their proxies at the Annual General Meeting of Sentinel Commercial Real Estate Investment PLC shall be strictly virtual or by electronic means (online participation).

To Register for the AGM

The registration link shall be forwarded to the email addresses of Shareholders to enable all Shareholders to participate in the AGM to register accordingly. The link can also be accessed on the REIT Manager's website (www.sentinelaml.com). Shareholders shall be required to provide relevant information to complete the registration process. After registering, Shareholders will receive a confirmation email containing information about joining the AGM.



CUSTODIAN REPORT



April 22, 2025

The Board, Sentinel Commercial Real Estate Investment Trust
Alema Avenue
Airport Residential Area
Accra

REPORT OF THE CUSTODIAN TO THE INVESTORS OF SENTINEL COMMERCIAL REAL ESTATE INVESTMENT TRUST – DECEMBER 31, 2024

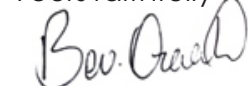
Standard Chartered Bank Ghana Plc confirms the investment holding for Sentinel Commercial Real Estate Investment Trust as at December 31, 2024 as follows:

REALESTATE		
SecurityName	Nominal	Valuation
One Airport Square	48,800,000.00	724,680,000.00
ClassificationTotal	48,800,000.00	724,680,000.00
SUMMARY		
Description	MarketValue	PCT of Total
Real Estate	724,680,000.00	132.83
Liabilities	(260,142,300.00)	(47.68)
Margin AccountBalance	71,322,908.18	13.07
Cash Balance	9,700,948.49	1.78
GRANDTOTAL(GHS)	545,561,556.67	100

A 91-day T'bill (GHGGOG075961) with purchase value GHS8,499,999.64, bought on December 31, 2024, is not reflected in the end of period report due to late instruction for settlement after the end of period. It is reflected as of January 2, 2025.

The cash for the purchase is reflected in the cash balance represented in the report as at end of the period.

Yours faithfully



Beverly Frimpong
Head, Financing and Securities Services

Standard Chartered Bank Ghana PLC
Head Office,
87 Independence Avenue,
P O Box 768, Accra – Ghana
SC.com/gh

Tel 0302 610750 / 0302 633366

Ebenezer Twum Asante (Chairman) Mansa Nettey (Managing Director) Sheikh Jobe Kwabena Nifa Aning George Akello Albert Asante
Naa Adorkor Codjoe Augustine Xorse Godzi Cynthia Anne Lumor



CHAIRMAN'S REPORT

CHAIRMAN'S REPORT

Introduction

It is with great pride that I present the inaugural Chairman's Report for the Sentinel Commercial Real Estate Investment Trust ("SCREIT" or "the Trust"), marking the successful completion of our first full year of operations. This milestone not only signifies the beginning of our journey as Ghana's first licensed Real Estate Investment Trust under the Securities Industry (REITs) Guidelines 2019, but also underscores our firm commitment to building a resilient platform for long-term value creation in Ghana's commercial real estate sector.

In December 2023, the Trust successfully completed the acquisition of its first asset—One Airport Square, a Grade A commercial property situated in the prime Airport City enclave of Accra. The transition of operations from the previous owner was finalized in the first quarter of 2024, marking a critical step in laying the foundation of our investment portfolio.

Economic Environment

The global economic landscape in 2024 was characterized by easing inflationary pressures and a general pivot towards more accommodative monetary policies. While global growth remained moderate, expectations of lower interest rates buoyed investor sentiment across key markets.

Domestically, Ghana recorded robust real GDP growth of 5.7%, up from 2.9% in 2023, driven by strong performances in the services and industrial sectors. The Bank of Ghana adopted a more accommodative stance for most of the year, cutting the policy rate by a cumulative 300 basis points before tightening in the fourth quarter due to renewed inflationary pressures. The Ghanaian cedi depreciated by 19.2% against the US dollar over the year, although a modest recovery was observed in the final quarter. Despite currency volatility, the macroeconomic environment provided a relatively stable backdrop for commercial real estate, with improving investor confidence and a gradual rebound in demand for prime assets.

Portfolio Performance

Our primary focus during the year was on stabilizing operations at One Airport Square, improving occupancy levels, and streamlining property management processes. Average trading occupancy stood at 69% for the year, closing at 71% by year-end—a testament to our targeted leasing strategy and proactive tenant engagement efforts.

The fair value of the property increased to GHS 724.68 million (USD 48.80 million) as of year-end, up from GHS 586.83 million (USD 48.70 million) at the start of the year. The Trust's Net Asset Value (NAV) rose to GHS 552.83 million, compared to GHS 331.69 million a year earlier. This translates to a NAV per share of GHS 1,182.52, up from GHS 1,000.00—an 18.25% year-on-year increase.

Capital Structure and Funding

In 2024, the Trust successfully concluded a rights issue and general offer, raising GHS 219.57 million. The funds were deployed toward settling a bridge facility from Nedbank (GHS 65.60 million), offsetting the remaining acquisition costs (GHS 140.48 million), and covering operational and working capital needs (GHS 13.50 million).

As of year-end, the Trust's capital structure comprised equity of GHS 504.30 million and debt of GHS 260.14 million. This resulted in a Loan-to-Value (LTV) ratio of 35.9%, down from 45.1% at the time of acquisition. During the year, we also commenced negotiations with Nedbank to restructure the remaining facility into an interest-only loan with a reduced margin over SOFR. These efforts culminated in a 100-basis-point reduction in the loan margin.

Combined with a 100bps cumulative decline in the U.S. Fed Funds Rate in Q4 2024—leading to a corresponding decrease in SOFR—these developments are expected to significantly reduce our debt service burden and improve our ability to generate distributable income.

Financial Performance and Dividends

The financial performance of One Airport Square in FY2024 reflected steady execution of our operational strategy. The property delivered gross income of GHS 73 million and net operating income of GHS 52 million, representing a healthy 72% operating margin. This performance was supported by strong tenant retention and strategic lease restructuring.

While the asset's operating performance was strong, elevated finance costs – due to high interest rates – constrained the Trust's profitability. Consequently, reported profits were primarily driven by a revaluation gain on the sole asset.

Given our prudent approach to capital management, the Board has resolved not to declare a dividend at this time. Our focus remains on strengthening the Trust's financial position to support sustainable future distributions.

Outlook

Looking ahead, we are encouraged by signs of continued economic recovery and a strengthening commercial real estate market. Our key strategic priority is to increase occupancy at One Airport Square to over 90% by the end of 2025. This will involve attracting high-quality tenants and adapting to evolving tenant preferences, particularly regarding workspace flexibility.

In preparation for a planned listing on the Ghana Stock Exchange in 2026, we are actively exploring portfolio expansion opportunities. We have initiated discussions for the potential acquisition of two additional Grade A office buildings. If successful, this transaction would significantly scale our asset base and enhance income diversification.

To support this next phase of growth, we intend to undertake a further capital raise to fund acquisitions and strengthen our balance sheet. We remain committed to disciplined capital deployment, sustainable earnings growth, and delivering long-term value for our shareholders.

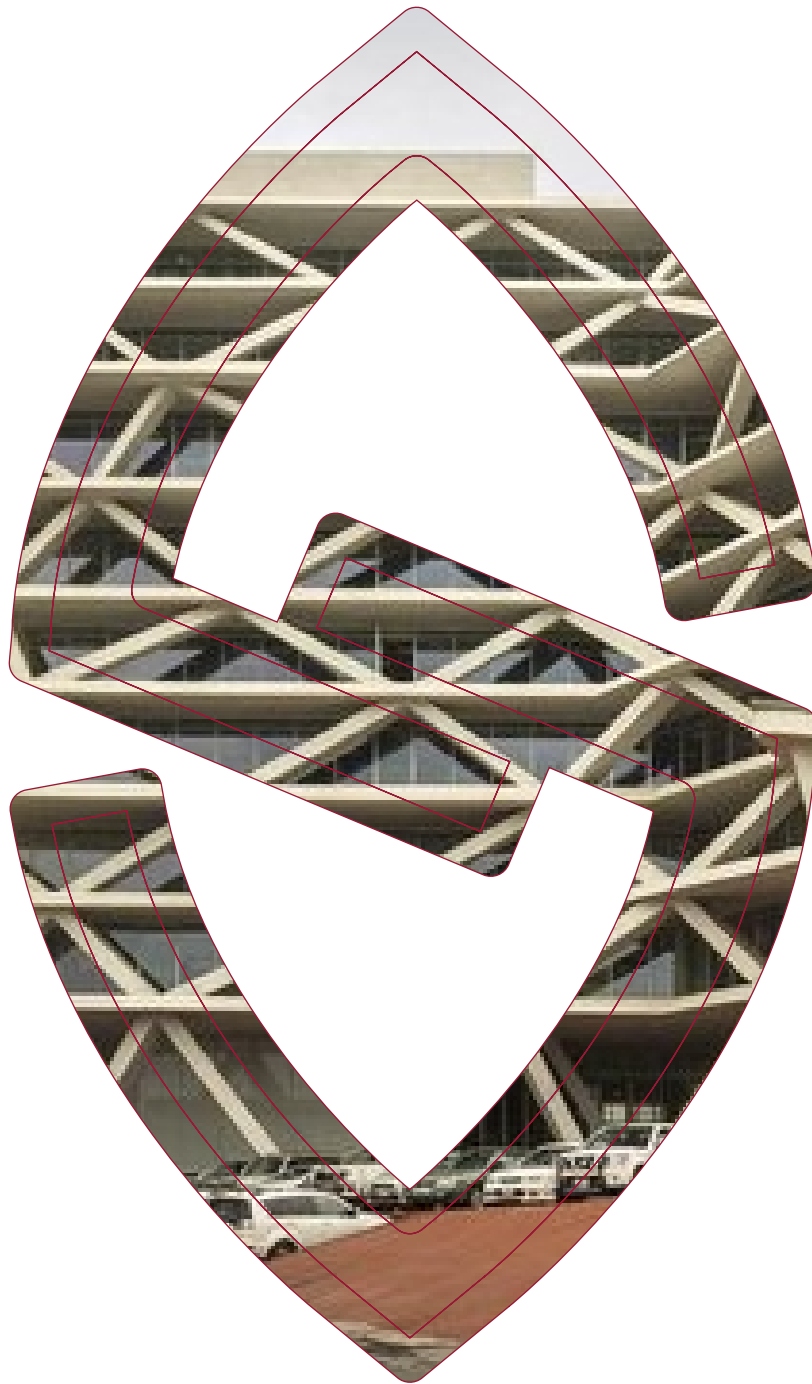
On behalf of the Board, I extend my sincere appreciation to our investors, partners, regulators, and stakeholders for their support during this foundational year. I also wish to thank the management team for their dedication and professionalism. We look forward to building on this strong start as we position SCREIT as the leading platform for commercial real estate investment in Ghana.



Signature

Kofi D. Asomaning

Chairman



FUND MANAGER'S REPORT

FUND MANAGER'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Economic and Market Overview

Global Economic Conditions

In 2024, the global economy maintained a growth rate of 2.6%, the same as 2023 but below the earlier forecast of 3.2%, according to the World Bank. This reflected the ongoing inflation fight which led to tighter monetary policies across major economies which adversely impacted expected growth.

Advanced economies grew by 1.5%, showing little change from the previous year. Emerging markets and developing economies saw growth ease to 4.0% from 4.2%, as weaker commodity prices, capital outflows, and a stronger US dollar put pressure on local currencies, particularly in regions like Sub-Saharan Africa.

In the second half of the year, inflation began to ease, and monetary policy became less restrictive in some markets. Successful elections in some key economies also helped restore political stability and business confidence. As a result, we started to see pockets of macroeconomic improvement, with renewed economic activity and investor sentiment cautiously turning positive.

Ghanaian Economic Landscape

Ghana's economy recorded real GDP growth of 5.7% in 2024, outperforming the IMF's projection of 4.0%. This stronger-than-expected performance was largely driven by continued expansion in the services sector, particularly in information and communication, as well as steady gains in industry.

Inflation edged up slightly to 23.8% from 23.2% in 2023, reflecting rising food prices and ongoing currency pressures. In response, the Bank of Ghana maintained its policy rate at 27.0% in the final quarter of the year to help anchor inflation expectations. The cedi depreciated by 19.2% against the US dollar over the year, despite a recovery of 7.8% in the fourth quarter following targeted central bank interventions.

On the fiscal front, conditions showed some improvement. Progress on debt restructuring and stronger revenues from gold and oil exports provided a buffer. However, high borrowing costs continued to weigh on consolidation efforts, keeping pressure on public finances.

Real Estate Market Trends

In 2024, Ghana's real estate market demonstrated resilience and adaptability, shaped by macroeconomic stabilization, evolving business needs, and continued infrastructure improvements. The sector benefited from an improved economic outlook, supported by the IMF bailout, which has helped in the gradual restoration of investor confidence.

Commercial leasing activity saw a clear uptick, particularly in the prime office segment. Demand was driven by corporate tenants seeking flexible, high-quality spaces that support hybrid work models. Sustainability features and location accessibility became important factors in tenant decisions. As a result, prime office rents stabilized in the range of US\$22 to US\$26 per square meter per month.

The retail segment responded to rising operational costs and shifting consumer preferences by transitioning towards smaller, more agile store formats in high-traffic areas. Shopping centers increasingly focused on experiential offerings—such as food courts and entertainment zones—to attract footfall in the face of growing e-commerce competition. New developments such as A&C Corner, reflected a mixed-use approach, combining retail, leisure, and lifestyle elements. Retail rents began to stabilize, and occupancy improved in key assets, including major malls like Accra Mall.

In the industrial segment, growth was underpinned by public-private initiatives, notably government-backed projects, which spurred demand for warehousing and manufacturing space across regional hubs such as Tema, Takoradi, and Kumasi. The expansion of logistics infrastructure, including upgrades at Tema Port, further supported Ghana's position as a regional trade center. While the majority of industrial space remains lower-grade, leasing activity in Grade A logistics facilities—such as those developed by Agility and LMI Holdings Limited within the Tema Free Zone—increased, with occupancy rates trending upward. Rents for older industrial facilities ranged between USD 2 to USD 4 per square meter per month while newer industrial facilities command rents ranging between USD 4.50 to USD 6.50 per square meter per month.

Overall, Ghana's real estate sector in 2024 reflected a market in transition—adapting to macroeconomic shifts, technological trends, and evolving tenant demands, with selective opportunities emerging across office, retail, and industrial segments.

2. Portfolio Overview and Activities

During the year, the focus was on stabilizing operations at the One Airport Square (OAS) asset and improving occupancy levels, which stood at 68% at the

beginning of 2024. The first quarter served as a transitional phase, during which OAS SPV Ltd was formally onboarded by the property manager. Tenant accounts were updated to reflect the change in ownership, ensuring a smooth operational handover.

Operational assessments were conducted and processes streamlined to enhance efficiency and service delivery. By year-end, supplier payment arrears had been fully cleared, and trading occupancy had risen to 70.5%, supported by an active leasing pipeline with prospects at various stages of negotiation.

The value of the asset appreciated over the period as a result of the depreciation of the GHS and rise in occupancy, closing at GHS 724,680,000.00 (USD 48.80 million) at the end of 2024, up from GHS 586,835,000.00 (USD 48.70 million) at the beginning of the year.

Asset Acquisition and Disposals: No new properties were acquired during the period, and there were no disposals from the portfolio.

Net Asset Value (NAV): The portfolio closed the year with a Net Asset Value (NAV) of GHS 552,826,234.35, up from GHS 331,687,176.27 at the beginning of 2024. The total number of shares increased from 310,857 to 467,497 over the same period. As a result, NAV per share rose to GHS 1,182.52 by year-end, representing an 18.52% increase from the opening NAV per share of GHS 1,000.

Comparative Table

	2024	2023
Net Asset Value (GHS)	552,826,234.35	331,687,176.27
Net Asset Value per Share (GHS)	1,182.52	1,000.00
Highest Price (GHS)	1,258.40	1,000.00

Asset Overview as of December 2024

Property	One Airport Square
Location	Airport City, Accra
Status	Operational
Sector	Office Space
SCREIT ¹ Stake	100%
Transaction Close	Dec-23
Valuation Method	DCF from underlying business
Cost	USD 46.0m
Current Value	USD 48.8m
Gross Lettable Area (GLA)	15,947.29m ²
Property Manager	Broll Ghana
Trading Occupancy	70.5%
Weighted Average Lease Expiry	2.19years
Weighted Average Rent per Month	USD 23.88

Occupancy

	GLA	TRADING	VACANT	SECURED
End of Year	15,947.29m ²	11,249m ²	1,891m ²	1,891m ²
	100%	70.5%	11.9%	17.7%
Beginning of Year	16,090.39m ²	10,958m ²	1,415m ²	3,717m ²
	100%	68.10%	8.8%	23.11%

3. Leasing Activity

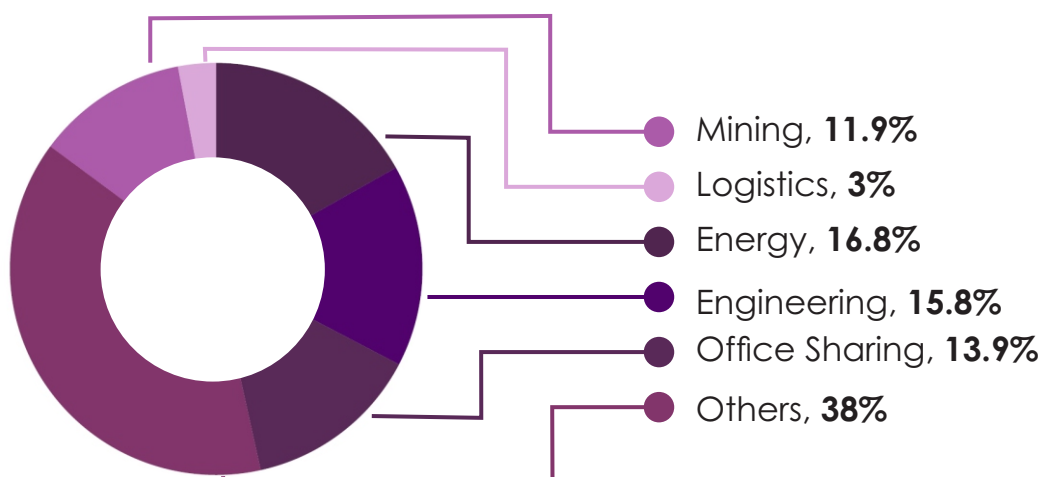
Rent Review: Out of the total 18 leases (20.21% of GLA) that expired during the year, 14 of them (14.9% of GLA) were successfully renewed for terms ranging from 4 months years to 3 years.

New Leases: During the year, 20 new leases were signed representing 3,353 m² (21% of GLA), Out this, 1,487 (9.3% of GLA) were trading. New tenants included AO Holdings, Northwestern Solutions, Xtra MFS Ghana, Mundus Afrique, Afriswap Bureau de Change and Sentinel Asset Management Ltd.

Exited Tenants: A total of 7 tenants occupying 1,098 m² (6.9% of GLA) exited during the year.

Top Trading Tenants: The top trading tenants at the end of the period were Horizons Offices, Puma Energy, TechnipFMC, Halliburton, and Publicis Groupe together occupying a total of 4,810 m² (30.2% of GLA)

Tenant Mix: The asset benefits from a well-diversified tenant mix across multiple sectors, reducing concentration risk and providing resilience against sector-specific downturns.



4. Property Management and Operations

Maintenance and Upgrades

During the year, several maintenance activities were undertaken to enhance the overall appeal and functionality of the building. These included periodic exterior cleaning, refurbishment of the lobby and lift areas, and the replacement of carpets in common areas to improve aesthetics and user experience.

Compliance

As at year-end, all necessary certificates and licenses required for the operation of the property had been duly renewed by the relevant authorities. The building remains fully compliant with regulatory standards and continues to operate in accordance with established property management guidelines.

5. Outlook and Strategic Plans

Market Outlook

Global GDP growth is projected at 2.7% in 2025, remaining below the pre-pandemic average, as geopolitical tensions and ongoing trade tariff discussions may weigh on momentum and keep inflation elevated. While global interest rates are expected to ease modestly, the pace of monetary loosening is likely to be slower than in 2024, providing limited but positive support for global investment flows.

In Ghana, economic growth is forecast at 4.0%, led by the services and extractive sectors. The IMF program and supportive policies are expected to sustain investor confidence, despite lingering inflation and currency pressures. For commercial real estate, the improving macroeconomic outlook and anticipated decline in interest rates could improve financing conditions and asset values. Demand for quality office, retail, and industrial spaces is likely to grow as businesses expand, positioning the sector for moderate growth in 2025.

Investment Outlook

In 2025, Sentinel Commercial Real Estate Investment Trust will focus on three key strategic priorities to drive performance: boosting occupancy, optimizing costs, and expanding the asset base.

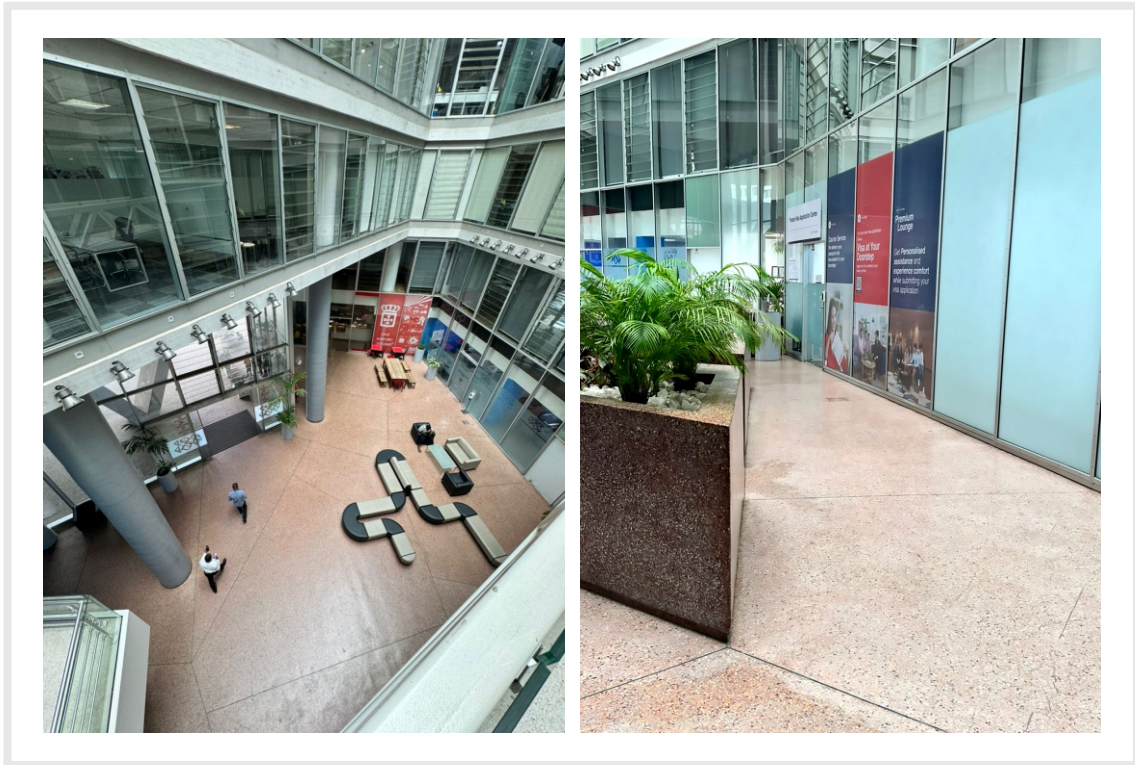
To increase occupancy, the Trust will implement an aggressive outdoor engagement campaign, leveraging targeted marketing, property tours, and direct outreach to attract high-quality tenants. Cost optimization will be achieved by strictly adhering to our cost efficiency framework, which includes

proactive maintenance planning and renegotiation of supplier contracts. On the expansion front, the Trust will pursue strategic acquisitions—targeting energy-efficient, income-generating properties aligned with investment criteria.

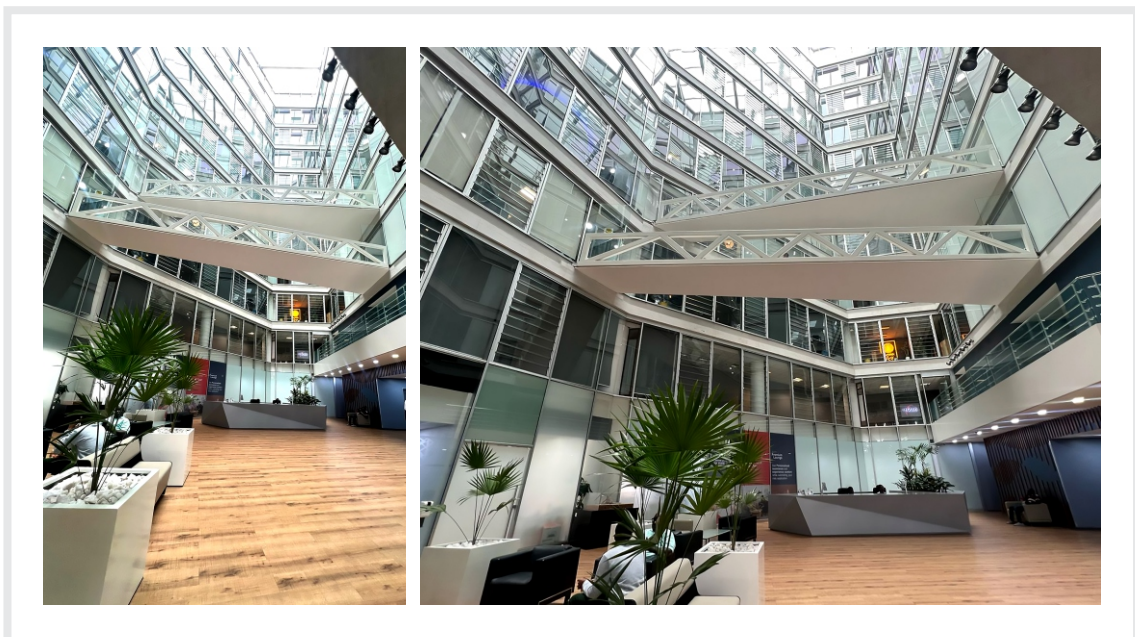
Additionally, management will prioritize tenant retention by nurturing strong tenant relationships, offering flexible lease structures, and ensuring responsive facility management, all of which will contribute to sustained high occupancy and long-term profitability.

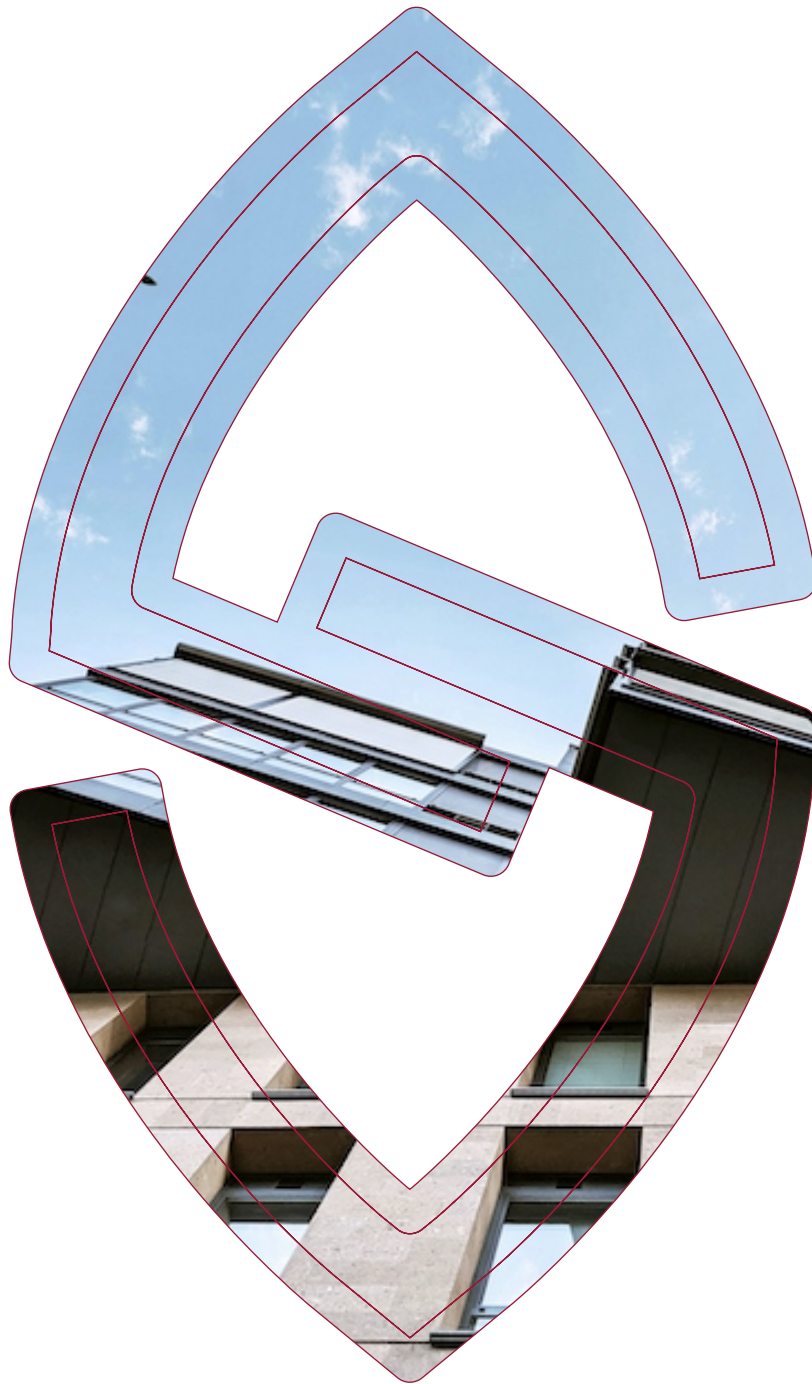
Lobby Pictures

Before refurbishment



After refurbishment





REPORT OF THE DIRECTORS

REPORT OF THE DIRECTORS

The Directors present their report together with the audited consolidated and separate financial statements of Sentinel Commercial Real Estate Investment Plc (the Company) and its subsidiary (together the Group) for the year ended 31 December 2024.

Directors' Responsibility Statement

The Directors are responsible for the preparation of financial statements that give a true and fair view of Sentinel Commercial Real Estate Investment Plc, comprising the statement of financial position at 31 December 2024 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the consolidated financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2019 (Act 992) and the Securities Industry Act, 2016 (Act 929) and the Securities and Exchange Commission Regulations, 2003 (L11728). In addition, the Directors are responsible for the preparation of the report of the Directors.

The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The Directors have made an assessment of the ability of the company to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

The Auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

Principal Activities

The Company is registered to undertake commercial real estate investment.

Subsidiaries of the Company

The Company directly or indirectly owns the following business as at 31 December 2024:

Company Name	Country of incorporation	Nature of Business
OASSPV Ltd	Ghana	The subsidiary is registered to acquire, maintain, and rent real estate.

Financial Statements

The state of affairs of the Company is as follows:
(All amounts are in Ghana cedis unless otherwise stated)

	GROUP		COMPANY	
	2024	2023	2024	2023
Revenue	50,734,992	1,971,975	-	-
Profit before tax	33,422,521	(6,998,045)	(13,746,201)	(9,234,325)
Profit after tax	33,422,521	(6,998,045)	(13,746,201)	(9,234,325)
Total assets	813,111,171	566,890,101	328,534,903	124,177,275
Total liabilities	268,462,188	262,169,146	327,119,974	2,877,600
Total equity	544,648,983	304,720,955	1,414,929	121,299,675

Dividend

The Directors do not recommend the payment of dividend for the year ended 31 December 2024 (2023: Nil).

Particulars Of Entries In The Interests Register During The Financial Year

The entity did not maintain an Interests Register, as no Director had interest during the year, in any contract of significance, other than a service contract with the Company.

Corporate Social Responsibility

The Company did not undertake any Corporate Social Responsibility (CSR) programmes during the year.

REPORT OF THE DIRECTORS

Capacity Building Of Directors To Discharge Their Duties

The Company ensures that only fit and proper persons are appointed to the Board after obtaining the necessary approval from the regulator, Securities and Exchange Commission of Ghana. Relevant training and capacity building programs are put in place to enable the directors discharge their duties. All the directors have been certified for attending such trainings during the year.

Auditor

The Company's Auditor, Resolute Consult, has expressed willingness to continue in office in accordance with section 139(5) of the Companies Act, 2019 (Act 992).

Audit Fee

The audit fee for the year ended 31 December 2024 is GH¢ 60,000 (2023: GH¢ 23,400).

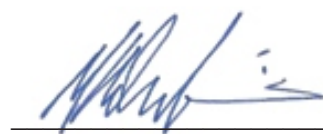
The report of the Directors of Sentinel Commercial Real Estate Investment PLC was approved by the Board of Directors on 29th April, 2025 and signed on their behalf by:



Signature

KOFI D. ASOMANING

Name



Signature

KISSEIH ANTONIO

Name



INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SENTINEL COMMERCIAL REAL ESTATE INVESTMENT PLC

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company and its subsidiaries (together the Group) at 31 December 2024, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992) and the Securities Industry Act, 2016 (Act 929) and the Securities and Exchange Commission Regulations, 2003 (L.I1728).

What We Have Audited

We have audited the financial statements of Sentinel Commercial Real Estate Investment PLC for the year ended 31 December 2024.

The financial statements comprise:

- The consolidated and separate statement of financial position as at 31 December 2024;
- The consolidated and separate statement of comprehensive income for the year then ended;
- The consolidated and separate statement of changes in equity for the year then ended;
- The consolidated and separate statement of cash flows for the year then ended; and
- The notes to the consolidated and separate financial statements, which include a summary of significant accounting policies and other explanatory information.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) issued by the International Ethics Standards Board for Accountants and the independence requirements of section 143 of the Companies Act, 2019 (Act 992) that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. There were no key audit matters to be addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon.

Other Information

The Directors are responsible for the other information. The other information comprises the Report of the Directors but does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities Of The Directors For The Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2019 (Act

992) and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities For The Audit Of The Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern; and

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence and have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Report On Other Legal and Regulatory Requirements

Compliance with the requirements of Section 137 of the Companies Act, 2019 (Act 992)

We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit.

1. In our opinion, proper books of account have been kept, so far as appears from our examination of those books
2. The Group's statements of financial position and statement of comprehensive income are in agreement with the accounting records and returns.
3. We are independent of the Company under audit pursuant to Section 143 of the Companies Act, 2019 (Act 992).

With respect to the provisions of the Anti-Money Laundering Act, 2022 (Act 1044), the Anti-Terrorism Act, 2008, (Act 762) and the Regulations made under these enactments, we did not identify any instances of non-compliance based on procedures we performed.

The engagement partner on the audit resulting in this independent auditor's report is Eric Kumah (ICAG/P/1341).



Resolute Consult (ICAG/F/2025/209)

Chartered Accountants

Behind Fidelity Bank, Haatso Branch,

Off Haatso Atomic Road, Accra

P.O.Box DT 2701

Adenta, Accra

.....29th April..... 2025





FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

(All amounts are in Ghana cedis unless otherwise stated)

Year Ended 31 December					
		GROUP		COMPANY	
	Note	2024	2023	2024	2023
Revenue	7	50,734,992	1,971,975	-	-
Direct Cost	8	(18,470,916)	(474,177)	(5,686,459)	-
Gross Profit		32,264,076	1,497,798	(5,686,459)	-
Other Income	9	23,132,021	2,987,225	754,297	2,063,303
Changes in Fair Value of Investment Property		33,969,116	-	-	-
General and Administrative Expenses	10	(16,399,418)	(11,483,068)	(8,814,039)	(11,282,628)
Profit/ (Loss) Before Interest and Income Tax		72,965,795	(6,998,045)	(13,746,201)	(9,219,325)
Finance Cost		(39,543,273)	-	-	-
Profit/(Loss) Before Income Tax		33,422,521	(6,998,045)	(13,746,201)	(9,219,325)
Income Tax(Expense) /Credit	11	-	-	-	-
Profit/(Loss) for the Year		33,422,521	(6,998,045)	(13,746,201)	(9,219,325)
Other Comprehensive Income		-	-	-	-
Total Comprehensive Income		33,422,521	(6,998,045)	(13,746,201)	(9,219,325)

STATEMENT OF FINANCIAL POSITION

(All amounts are in Ghana cedis unless otherwise stated)

		GROUP		COMPANY	
	Note	2024	2023	2024	2023
ASSETS					
Non-current assets					
Investment in subsidiary	12	-	-	248,293,801	114,047,625
Investment property	13	725,292,167	556,760,451		-
		725,292,167	556,760,451	248,293,801	114,047,625
Current assets					
Inventories	14	151,000	-	-	-
Trade and other receivables	15	3,712,644	-	-	-
Investment		-	9,999,99	-	9,999,99
Prepayments	16	406,020	9	-	9
Current tax assets		1,541,400	-	-	-
Cash and equivalents	17	82,007,940	129,651	80,241,102	129,651
		87,819,004	10,129,650	80,241,102	10,129,650
Total assets		813,111,171	566,890,101	328,534,903	124,177,275
EQUITY AND LIABILITIES					
Equity					
Stated capital	18	1,000	1,000	1,000	1,000
Deposit for shares	19	518,228,632	311,718,000	350,089,624	130,518,000
Retained earnings	20	26,419,351	(6,998,045)	(22,970,651)	(9,219,325)
Total Equity		544,648,983	304,720,955	327,119,974	121,299,675
Non-current liabilities					
Long term borrowings	21	259,106,038	254,720,871	-	-
Current liabilities					
Trade and other payables	22	9,356,150	7,448,275	1,414,929	2,877,600
Total liabilities		268,462,189	262,169,146	1,414,929	2,877,600
Total equity and Liabilities		813,111,171	566,890,101	328,534,903	124,177,275

The notes on pages 36 to 53 are an integral part of these financial statements.

The financial statements on pages 28 to 53 were approved by the Board of Directors on 29th April, 2025 and signed on its behalf by:

Name of Director: KOFID. ASOMANING

Signature: 

Name of Director: KISSEIH ANTONIO

Signature: 

STATEMENT OF CHANGES IN EQUITY

AS AT 31 DECEMBER 2024

(All amounts are in Ghana cedis unless otherwise stated)

THE GROUP	STATED CAPITAL	RETAINED EARNINGS	DEPOSIT FOR SHARES	TOTAL
Year ended 31 December 2024				
At 1 January 2024	1,000	(6,998,045)	311,718,000	304,720,955
Prior year adjustment from subsidiary	-	(5,125)	-	(5,125)
		-	206,510,632	-
Deposit for shares	-		-	206,510,632
Profit for the year	-	33,422,521	-	33,422,521
Total comprehensive income	-	33,422,521	5,686,459	33,422,521
At 31 December 2024	1,000	26,419,351	518,228,632	544,648,983
Group				
Year ended 31 December 2023				
At 23 August 2022	1,000	-		1,000
Deposit for shares	-	-	311,718,000	311,718,000
Profit for the year	-	(6,998,045)	-	(6,998,045)
Total comprehensive income	-	(6,998,045)	-	(6,998,045)
At 31 December 2023	1,000	(6,998,045)	311,718,000	304,720,955

The notes on pages 36 to 53 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

AS AT 31 DECEMBER 2024

(All amounts are in Ghana cedis unless otherwise stated)

THE COMPANY	STATED CAPITAL	RETAINED EARNINGS	DEPOSIT FOR SHARES	TOTAL
Year ended 31 December 2024				
At 1 January 2024	1,000	(9,219,325)	13,746,201	121,311,075
Prior year adjustment from subsidiary	-	(5,125)	-	(5,125)
Deposit for shares	-	-	336,343,423	336,343,423
Loss for the year	-	-	-	(13,746,201)
Total comprehensive income	-	(13,746,201)	-	-
At 31 December 2024	1,000	(22,970,651)	350,089,624	327,119,974
Group				
Year ended 31 December 2023				
At 22 August 2022	1,000	-	-	1,000
Deposit for shares	-	-	130,518,000	130,518,000
Loss for the year	-	(9,219,325)	-	(9,219,325)
Total comprehensive income	-	(9,219,325)	-	(9,219,325)
At 31 December 2023	1,000	(9,219,325)	130,519,000	121,299,675

The notes on pages 36 to 53 are an integral part of these financial statements.

STATEMENT OF CASH FLOW

(All amounts are in Ghana cedis unless otherwise stated)

Year Ended 31 December					
		GROUP		COMPANY	
	Note	2024	2023	2024	2023
Cash flows from operating activities					
Cash used from operations	23	70,598,879	450,230	(15,213,997)	(120,389,350)
Tax paid	11	(1,541,400)	-	-	-
Net cash generated/ (used) in operating activities		69,057,479	450,230	(15,213,997)	(120,389,350)
Cash flows from investing activities					
Investment property	13	(168,531,715)	(556,760,451)	-	-
Investment in subsidiary		-	(134,246,176)	-	-
Investment purchase	13	(9,999,999)	(9,999,999)	(9,999,999)	(9,999,999)
Investment redeemed		9,999,999	9,999,999	-	-
Net cash used in investing activities		(158,531,716)	(566,760,451)	(124,246,177)	(9,999,999)
Cash flows from financing activities					
Increase in share capital	18	-	1,000	-	130,519,000
Deposit for shares	19	206,510,632	311,718,000	219,571,624	-
Increase in borrowings	21	4,385,167	254,720,872	-	-
Finance charges		(39,543,273)	-	-	-
Net cash generated from financing activities		171,352,526	566,439,872	219,571,624	130,519,000
Net Increase in cash and cash equivalents		81,878,289	129,651	80,111,451	129,651

STATEMENT OF CASH FLOW (continued)

(All amounts are in Ghana cedis unless otherwise stated)

Year Ended 31 December					
		GROUP		COMPANY	
	Note	2024	2023	2024	2023
Cash and cash equivalents at the beginning of year		129,651		129,651	-
Cash and cash equivalents at end of year	17	82,007,940	129,651	80,241,102	129,651

The notes on pages 36 to 53 are an integral part of these financial statements.

NOTES

1. GENERAL INFORMATION

Sentinel Commercial Real Estate Investment PLC ('the Company') and its subsidiary (together the Group) is a private limited liability company incorporated under the Companies Act, 2019 (Act 992), regulated by the Securities and Exchange Commission of Ghana and domiciled in Ghana. It was incorporated with the mandate to engage in commercial real estate investment.

The address of its registered office is House No. 13, Alema Avenue, Airport Residential, Accra.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 BASIS OF PREPARATION

The set of the Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in a manner required by the Companies Act, 2019 (Act 992). These financial statements have been prepared under the historical cost convention.

The Group's and the Company consolidated and separate financial statements comprise the consolidated and separate statement of comprehensive income, the consolidated and separate statement of financial position, the consolidated and separate statement of changes in equity, the statement of cash flow and related notes.

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Ghana cedis, which is the Group's functional and presentation currency.

The disclosures on risks from financial instruments are presented in the financial risk management report contained in Note 4.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgement in the process of applying the Company's accounting policies.

Changes in assumptions may have a significant impact on the financial statements in the year the assumptions change. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

(i) New standards, amendments and interpretations adopted by the Group

The following amendments and International Financial Reporting Interpretation Committee (IFRIC) interpretations were adopted by the Group for the first time for the financial year beginning on 1 January 2024.

- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases
- Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1 Presentation of Financial Statements
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(ii) Standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions. They include;

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures;
- Annual Improvements to IFRS Accounting Standards – Amendments to: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash flows;
- Contracts Referencing Nature-dependent Electricity – Amendments

to IFRS 9 and IFRS 7;

- IFRS 18 Presentation and Disclosure in Financial Statements;
- IFRS 19 Subsidiaries without Public Accountability: Disclosures; and
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures.

2.3 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Ghana Cedi (GH¢) which is the Group's functional currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or cost'.

2.4 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes the expenditure that is directly attributable to the acquisition of these items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item can be measured reliably.

The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial year in which they are incurred.

Assets in the course of construction are carried at cost less any recognised impairment loss. Cost includes professional fees and other costs directly attributable to the completion of the assets. Depreciation commences when the assets are ready for their intended use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other income' in profit or loss.

2.5 INVESTMENT PROPERTIES

IAS 40 Investment Property applies to the accounting for property (land and/or buildings) held to earn rentals or for capital appreciation (or both). Investment properties are initially measured at cost and, with some exceptions may be subsequently measured using a cost model or fair value model, with changes in the fair value under the fair value model being recognised in profit or loss. Investment property is initially measured at cost, including transaction costs. Such cost should not include start-up costs, abnormal waste, or initial operating losses incurred before the investment property achieves the planned level of occupancy. The company measures investment properties using the cost model.

2.6 LEASES

Assets held under lease agreements are presented as right of use assets. Such assets are depreciated over the lease term. Lease finance charges are allocated to accounting periods over the duration of the leases by the effective interest rate method, which reflect the extent and cost of lease finance utilization in each accounting period.

2.7 IMPAIRMENT OF NON-FINANCIAL ASSETS

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An

impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). The impairment test also can be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.8 FINANCIAL ASSETS

Classification

The Group classifies its financial assets as 'financial assets measured at amortised cost'. Financial instruments are classified as 'financial assets at amortised cost' when both criteria outlined below are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows;
-
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures its financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Subsequent to initial recognition, these assets are measured at amortised cost using the effective interest rate method. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of comprehensive income (profit or loss accounts) and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of comprehensive income (profit or loss accounts).

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and the days past due.

The historical loss rates are adjusted to reflect current and forward-looking macroeconomic factors likely to affect the ability of the customers to settle the receivables.

The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

2.9 FINANCIAL LIABILITIES

The Group's holding in financial liabilities represents mainly trade payables and other liabilities. Such liabilities are initially recognised at fair value and subsequently measured at amortised cost.

Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

2.10 DETERMINATION OF FAIR VALUE

For financial instruments traded in active markets, the determination of fair values is based on quoted market prices or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges. The quoted market price used for financial assets is the current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs existing at the reporting dates. In cases when the fair value of unlisted equity instruments cannot be determined reliably, the instruments are carried at cost less impairment.

2.11 TRADE AND OTHER RECEIVABLES

Trade receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Prepayments are amortised over the period of the service for which the payment was made.

2.12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities.

2.13 TRADE AND OTHER PAYABLES

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are stated at their nominal value and recognised when an obligation to settle is established. Accounts payable are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities.

Accounts payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.14 CONSOLIDATED ACCOUNT

Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis at fair value. However, non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are recognised at either fair value or proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

2.15 PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

2.16 BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs. Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.17 BORROWING COST

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.18 STATED CAPITAL

Ordinary shares are classified as 'stated capital' in equity. All shares are issued at no par value.

2.19 REVENUE RECOGNITION

Revenue represents amount recoverable from clients for services provided during the year. Revenue is measured at the fair value of the consideration received or receivable, on each assignment net of Value- Added Tax (VAT).

Revenue from services rendered is recognised in the period in which the services are rendered. Revenue can be recognised when the amount can be reliably measured and its probable the future economic benefits will flow to the Group.

Revenue is recognized when it reflects the transfer of services to customers at an amount that reflects the consideration expected in exchange for those services. The core principle or criteria for recognition is met when a contract is identified with a customer, the transaction price and performance obligations are established and the transaction price is allocated to the performance obligations in the contract.

Revenue is recognised when the Group satisfies this obligation.

2.20 CURRENT AND DEFERRED INCOME TAX

Current income tax

The tax expense for the year comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity—in this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. The Directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction

affects neither accounting nor taxable profit nor loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.21 EMPLOYEE BENEFITS

Defined contribution plans

A defined contribution plan is a retirement benefit plan under which the Group pays fixed contributions into a separate entity. The Group's contribution to the defined contribution schemes is charged to profit or loss in the year in which they fall due. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Other employee benefits

Short-term employee benefits, such as salaries and other benefits are accounted for on an accruals basis over the period which employees have provided services in the year. Bonuses are recognised to the extent that the Company has a present obligation to its employees that can be measured reliably.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities

within the next financial year are addressed below.

a) USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT

The cost of property, plant and equipment is depreciated on a straight line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be between 4 to 10 years. These are common life expectancies applied in the industry. Changes in the expected level of the usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised.

b) INCOMETAXES

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters are different from the amounts that were initially recorded, such differences will impact the current income tax and deferred income tax provisions in the period in which such determination is made.

4. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The Company does not hedge any of its risk exposures.

Financial risk management is carried out by the finance department under policies approved by the Board of Directors. The board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's market risks arise from open positions in foreign currencies, to the extent that these are exposed to general and specific market movements. Management sets limits on the exposure to currency rate risk that may be accepted, which are monitored on a monthly basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market

movements.

Sensitivities to market risks included below are based on a change in one factor while holding all other factors constant. In practice, this is unlikely to occur, and changes in some of the factors may be correlated - for example, changes in foreign currency rates.

(All amounts are in Ghana cedis unless otherwise stated)

(i) Foreign exchange risk

Foreign exchange risk arises when commercial transactions or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The Group is not exposed to significant foreign exchange risk arising from various currency exposures.

(ii) Interest rate risk

Interest rate risk arises from borrowings. The Group did not hold any financial instruments subject to cash flow and fair value interest rate risk at the end of the year.

(iii) Price risk

At 31 December 2024, the Group did not hold any financial instruments subject to price risk.

CREDIT RISK

Credit risk is the risk of a potential loss to the Group if a counter party to a financial instrument fails to meet its contractual obligations. The Company has no significant concentrations of credit risk. The Group structures the level of credit risk it accepts by placing limits on its exposure to a single counterparty or Group of counterparties.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. The expected credit losses also incorporate forward looking information.

Financial instruments that potentially subject the Group to credit risk are primarily cash and cash equivalents and accounts receivables. Accounts receivables are mainly derived from payments made in advance. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial. The Group does not have any significant concentrations of credit risk.

(All amounts are in Ghana cedis unless otherwise stated)

The Group's maximum exposure to credit risk at the end of the reporting date is as follows:

	2024	2023
Cash and cash equivalents	82,007,940	129,649
Trade and other receivables (excluding prepayments)	5,405,044	9,999,999
	87,412,984	10,129,650

The Group made an impairment of GH¢ 2,268,259 for trade receivables past due date in the subsidiary. All receivables are within their approved credit limit. The Group transacts business and holds funds with financial institutions licensed by the Bank of Ghana.

LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash balances.

Management performs cash flow forecasting and monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet its operational needs. The Group's approach when managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risk damage to the Group's reputation.

MATURITY ANALYSIS OF FINANCIAL LIABILITIES

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	GROUP DUE WITHIN ON YEAR	COMPANY DUE WITHIN ON YEAR
At 31 December 2024:	9,356,150	1,414,929
Trade and other payables		
At 31 December 2023:	7,448,275	2,877,600
Trade and other payables		

(All amounts are in Ghana cedis unless otherwise stated)

5. FINANCIAL INSTRUMENT BY CATEGORY

The fair value of a financial instrument is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial instruments utilised by the Group during the years ended 31 December 2024 and 31 December 2023 with information regarding the methods and assumptions used to calculate fair values are summarised as follows:

CURRENT ASSETS AND LIABILITIES

Financial instruments included within current assets and current liabilities are generally short term in nature and accordingly their fair values approximate to their book values.

The Group's financial assets are trade and other receivables (excluding prepayments) and cash and cash equivalents. All financial assets of the Group as at 31 December 2024 and 31 December 2023 are classified as "financial assets at amortised cost".

The Group's financial liabilities are trade and other payables (excluding statutory payments), client deposits and amount due to related parties. All financial liabilities of the Company are classified as 'other financial liabilities at amortised cost'.

The fair value of the Group's financial assets and liabilities are deemed by the Directors to approximate their carrying amount due to their short-term nature.

5. CAPITAL RISK MARKET

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

7. REVENUE

	GROUP		COMPANY	
	2024	2023	2024	2023
Revenue	50,734,992	1,971,975	-	-

(All amounts are in Ghana cedis unless otherwise stated)

	GROUP		COMPANY	
	2024	2023	2024	2023
8. DIRECT COST				
Fund management fees	5,300,354	-	5,300,354	-
Property management fee	671,040	-	-	-
Custodian remuneration	386,105	-	386,105	-
Other direct costs	11,400,510	444,438	-	-
Wages and salaries	712,907	29,739	-	-
	18,470,916	474,177	5,686,459	-
9. OTHER INCOME				
Interest income	75,319	2,063,303	75,319	2,063,303
Foreign exchange gains	16,947,836	705,626	-	-
Gains on other rental services	5,429,888	218,296	-	-
Gains on repurchase agreements	678,978	-	678,978	-
	23,132,021	2,987,225	754,297	2,063,303
10. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES				
Selling, general and administrative expenses include:				
Audit fees	120,000	41,685	11,259,228	23,400
Legal and professional fees	279,710	11,259,228	259,228	11,259,228

11. INCOME TAX EXPENSE

The Group and the Company are exempt from income tax under Section 7 of the Income Tax Act, 2015 (Act 896) as amended by Income Tax (Amendment) Act, 2017 (Act 956). However, at year end, the subsidiary's tenants had paid withholding taxes on its behalf of GHC 1,541,400.

12. INVESTMENT IN SUBSIDIARY

	2024	2023
OAS SPV Limited	248,293,801	114,047,625

(All amounts are in Ghana cedis unless otherwise stated)

	GROUP		COMPANY	
	2024	2023	2024	2023
13. INVESTMENT PROPERTY				
Leasehold building	725,292,167	556,760,451	-	-
The leasehold building is classified as investment property under the fair value model in accordance with IFRS 40 Investment Property.				
14. INVENTORIES				
Fuel on hand	151,000	-	-	-
15. TRADE AND OTHER RECEIVABLE				
Tenant receivables	5,053,533	-	-	-
Provision for doubtful debts	(2,268,259)	-	-	-
Other receivables	927,370	-	-	-
	3,712,644	-	-	-
16. PREPAYMENTS				
Prepayments	406,020	-	-	-
17. CASH AND CASH EQUIVALENTS				
Cash and bank	82,007,940	129,651	80,241,102	129,651
18. STATED CAPITAL				
The total authorised number of ordinary shares is 1,000,000 shares of no par value out of which 1,000 have been issued.				
For cash consideration	1,000	1,000	1,000	1,000
19. DEPOSIT FOR SHARES				
This represents deposits by the shareholders for the purchase of shares in the company.				
At year end	518,228,632	311,718,000	350,089,624	130,518,000
20. RETAINED EARNINGS ACCOUNT				
The retained earnings balance represents cumulative income surplus. Movements in the retained earnings account are shown in the statement of changes in equity on page 9.				

(All amounts are in Ghana cedis unless otherwise stated)

	GROUP		COMPANY	
	2024	2023	2024	2023
21. BORROWINGS				
Long term borrowings	259,106,038	254,720,871	-	-
22. TRADE AND OTHER PAYABLES				
Contract liabilities	5,228,750	-	-	-
Other liabilities	4,127,400	-	-	-
	9,356,150	7,448,275	1,414,929	2,877,600

The carrying amounts of accounts payable stated above approximate their fair value due to their short- term nature.

23. CASH FLOW GENERATED /(USED) IN OPERATIONS				
RECEIVABLE				
Profit before income tax	33,422,521	(6,998,045)	(13,746,201)	(9,219,325)
Adjusted for:				
Prior year adjustments	(5,125)	-	-	-
Finance charges	39,543,273	-	-	-
Changes in working capital:				
Increase in inventory	(151,000)	-	-	-
Decrease in accounts receivable	(4,118,665)	-	-	2,877,600
	1,907,875	7,448,275	(1,467,796)	2,877,600
Cash generated/ (used) in operations	70,598,879	450,230	(15,213,997)	(120,389,350)

24. CAPITAL COMMITMENTS

There were no commitments for capital expenditure as at 31 December 2024 (2023; nil).

25. CONTINGENT LIABILITIES

There were no contingent liabilities as at 31 December 2024 (2023; nil).

PROXY FORM

ANNUAL GENERAL MEETING TO BE HELD ON 11 JUNE 2025 AT 11:00 GMT

To: Sentinel Commercial Real Estate Investment PLC (the “Company” or the “SCREIT”), a company incorporated under the laws of the Republic of Ghana.

I/WE, of
..... being a member of the Company hereby
appoint of as
my/our proxy (the “Proxy”) to attend on my/our behalf, the 1st Annual General
Meeting of the Company, to be held via **Microsoft Teams** on **Wednesday 11th
June 2025** at 11:00am and at any adjournment thereof, for the following
purposes and to vote on my/our behalf on matters as directed below:

Special business:

1. That the Annual Report and the Audited Financial Statements of Sentinel Commercial Real Estate Investment PLC for the financial year ended 31 December 2024, together with the Trustee's Report and Auditor's Report be received and adopted.
2. That Mr. Kofi Duodu Asomaning, an existing director of the Company, be re-elected to office as a director of the Company.
3. That Mr. Yehonatan Ayertey, an existing director of the Company, be re-elected to office as a director of the Company.
4. That Mr. Kwaku Okae Okoh, an existing director of the Company, be re-elected to office as a director of the Company.
5. That Ms. Muina Wosornu, an existing director of the Company, be re-elected to office as a director of the Company.
6. That the Directors' fees be approved.
7. That the Auditor's fees are confirmed.
8. That the Directors are hereby authorised to fix Auditor's fees for 2025.

Unless otherwise instructed, the Proxy will vote for, against or abstain from voting at his/her discretion.

Shareholder's Signature Date2025

NOTES

1. A proxy need not be a member of SCREIT.
2. Unless otherwise instructed, the proxy will vote as he sees fit.
3. To be valid, this form must be signed and sent via email to info@sentinelaml.com not less than forty-eight (48) hours before the commencement of the meeting.

4. In the case of joint holders, the signature of only one of the joint holders is required.
5. In the case of a body corporate, the form must be under seal or under the hand of a duly authorized officer.
6. The completion of and return of a proxy form does not prevent a member from attending the meeting and voting thereat.

Sentinel Commercial Real Estate Investment Trust
2024