SENTINEL FINCO (RING FENCED) LIMITED

(REGISTRATION NUMBER 2020/178948/06)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

These annual financial statements have been independently prepared by:
C2M Chartered Accountants Incorporated
Chartered Accountants (SA)

These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Sentinel Finco (Ring Fenced) Limited ("the Company") is a securitisation special purpose vehicle with the main purpose of acquiring income-producing loan assets from Sentinel Homes Proprietary Limited and issuing interest-bearing securities.
Independent Non-Executive Directors	Brian William Smith Brendan Harmse Phelia Loubser
Non-Executive Director	Renier Kriek
Registered office	TMF Building 2 Conference Lane, Bridgewater One Block 1, Century City Cape Town 7446
Business address	Unit 11, Canal Edge 2 Fountain Road Bellville 7530
Postal address	Postnet Suite 294 Private Bag X1005 Claremont Cape Town 7735
Auditors	PKF Cape Town
Bankers	ABSA Limited
Secretary	TMF Capital Markets Services (South Africa) Proprietary Limited
Servicer	Sentinel Homes Proprietary Limited
Company registration number	2020/178948/06
Tax reference number	9049071286
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The annual financial statements have been independently prepared by: C2M Chartered Accountants Incorporated Chartered Accountants (SA)

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AUDIT COMMITTEE REPORT

We are pleased to present our report for the year ended 28 February 2026.

The Audit Committee is an independent statutory committee appointed by the Board of Directors. Further duties are delegated to the Audit Committee by the Directors of the Company.

The Audit Committee has specific statutory responsibilities to shareholders in terms of the Companies Act of South Africa. In addition to those responsibilities, the Audit Committee assists the Board by advising and making submissions on financial reporting, financial risk management processes, internal financial controls and independent audit functions.

1. Audit Committee terms of reference

The Audit Committee adopted formal terms of reference that were approved by the Directors. The Audit Committee conducted its affairs in compliance with its terms of reference and discharged its responsibilities contained therein.

2. Audit Committee members and attendance

The Audit Committee is independent and consists of three independent, Non-Executive Directors. It meets at least twice per year as per its terms of reference.

The other Directors, external auditor and other assurance providers attend meetings by invitation only and do not form part of the quorum and may not vote.

3. Role and responsibilities

3.1 Statutory duties

The Audit Committee's role and responsibilities include statutory duties per the Companies Act of South Africa and further responsibilities assigned to it by the board.

External auditor appointment and independence

The Audit Committee has satisfied itself that the external auditor was independent of the Company, as set out in section 94(8) of the Companies Act of South Africa, which includes consideration of previous appointments of the auditor, the extent of work undertaken by the auditor for the Company and compliance with criteria relating to independence or conflicts of interest as prescribed by the Independent Regulatory Board of Auditors. Requisite assurance was sought and provided by the auditor that internal governance processes within the audit firm support and demonstrate its claim to independence.

The Committee ensured that the appointment of the auditor complied with the Companies Act of South Africa, and other legislation relating to the appointment of auditors.

During the financial year, the Committee reappointed PKF Cape Town as the external audit firm and J Lochner as the designated auditor responsible for performing the functions of auditor for the 2026 reporting period. The Audit Committee has satisfied itself that the audit firm and designated auditor are formally accredited by the JSE.

Annual financial statements and accounting policies

The Audit Committee reviewed the accounting policies and the annual financial statements of the Company and is satisfied that they are appropriate and comply with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB).

The Audit Committee notes that no matters of significance were raised in the reporting period.

AUDIT COMMITTEE REPORT

Internal financial controls

Nothing has come to the attention of the Audit Committee which indicates that the Company's system of internal financial controls, in all material aspects, does not provide a basis for the preparation of reliable annual financial statements. The Committee is satisfied that the Company's annual financial statements are in compliance, in all material respects, with the Companies Act of South Africa and IFRS Accounting Standards as issued by the IASB and recommended the annual financial statements for approval by the board.

Internal audit

The Company is a ring fenced special purpose entity with no requirement for an internal audit function. Nothing has come to the attention of the Committee which indicates the existence of circumstances requiring the formation of an internal audit function. This will be considered each year.

3.2 Duties assigned by the board

In addition to the statutory duties of the Audit Committee, as reported above, and in accordance with the provisions of the Companies Act of South Africa, the Directors have determined further functions for the Audit Committee to perform, as set out in the Audit Committee's terms of reference.

The Audit Committee is satisfied that the Company has optimised the assurance coverage obtained from management and external assurance providers in accordance with an appropriate combined assurance model.

The Audit Committee, at its meeting held on 19 May 2026, recommended the annual financial statements for approval by the Directors.

Going concern

The Audit Committee reviewed the documented assessment, including key assumptions, prepared by management of the going concern status of the Company and made recommendations to the Directors. The Directors statement on the going concern status of the Company, as supported by the Audit Committee, is included in note 25 in the annual financial statements.

On behalf of the Audit Committee:

Signed by:
Brian W Smith
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Brian William Smith
Chairperson of the Audit Committee

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The Directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Company as at the reporting date and the results of its operations and cash flows for the year then ended, in conformity with IFRS Accounting Standards as issued by the IASB. The external auditors are engaged to express an independent opinion on the financial statements.

The annual financial statements are prepared in accordance with IFRS Accounting Standards as issued by the IASB, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and in the manner required by the Companies Act of South Africa and are based on appropriate accounting policies, consistently applied by the Company and supported by reasonable and prudent judgement and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Company and place considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, the Board of Directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Company and all officers and service providers are required to maintain the highest ethical standards in ensuring the Company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Company is on identifying, assessing, managing and monitoring all known forms of risk across the Company. While operating risk cannot be fully eliminated, the Company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The external auditors are responsible for independently auditing and reporting on the Company's financial statements. The financial statements have been audited by the Company's external auditor and their report is presented on page 8 - 11.

The annual financial statements set out on pages 3 - 7 and 12 - 39, which have been prepared on the going concern basis, were approved by the Board of Directors on 19 May 2026 and are signed on their behalf by:

Signed by:
7D7D85913DC1416...
Brendan Harmse

DocuSigned by:
2A74212AA8F246D...
Renier Kriek

19 May 2026

DIRECTORS' REPORT

1. Incorporation

The Company was incorporated on 20 May 2020 and obtained its certificate to commence business on the same day.

2. Main business and operations

The Company is a company incorporated in the Republic of South Africa. The entire issued stated capital of the Company is held by The Sentinel Finco Owner Trust, a registered discretionary trust. The Company is a securitisation special purpose vehicle with the main purpose of acquiring income-producing loan assets from Sentinel Homes Proprietary Limited and issuing interest-bearing securities.

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently when compared to the prior reporting period.

Full details of the financial position, results of operations and cash flows of the Company are set out in the annual financial statements.

The Directors have pleasure in submitting their report on the annual financial statements of Sentinel Finco (Ring-Fenced) Limited for the year ended 28 February 2026.

4. Stated capital

	2026	2025
Authorised	Number of shares	
Ordinary shares of no par value	5,000	5,000
Cumulative redeemable preference shares of no par value	5,000	5,000

	2026	2025	2026	2025
Issued	R	R	Number of shares	
Ordinary shares of no par value	150	150	100	100
Cumulative redeemable preference shares of no par value	37,600,000	31,300,000	376	313
	37,600,150	**31,300,150**	**476**	**413**

5. Dividends

A final preference share dividend of 531,915 cents per share was approved by the Board of Directors on Thursday, 26 February 2026 in South African currency in respect of the year ended 28 February 2026. The dividend payment date was Saturday, 28 February 2026 to the preference shareholder recorded in the register of the Company.

6. Shareholder

There have been no changes to ownership during the current and prior periods.

The ordinary shareholder and its interest at year end is as follows:

	Holding
The Sentinel Finco Owner Trust	100%

7. Directorate

The Directors in office at the date of this report are as follows:

Directors	Designation	Changes
Brian William Smith	Non-executive Independent	
Brendan Harmse	Non-executive Independent	
Phelia Loubser	Non-executive Independent	
Shirvan Suleman Schrueder	Alternate	Resigned Friday, 25 July 2025
Renier Kriek	Non-executive	

Resignation of director

Directors	Cause of change	Designation	Date
Shirvan Suleman Schrueder	Resignation	Alternate	25 July 2025

8. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

9. Events after the reporting period

The Directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

10. Independent auditors

PKF Cape Town were appointed as the Company's auditor for the 2026 reporting period.

11. Secretary

The Company secretary is TMF Capital Markets Services (South Africa) Proprietary Limited.

12. Date of authorisation for issue of annual financial statements

The annual financial statements were authorised for issue by the Directors on Tuesday, 19 May 2026. No authority was given to anyone to amend the annual financial statements after the date of issue.

13. Liquidity and solvency

The Directors performed the liquidity and solvency tests as required by the Companies Act of South Africa.

PKF Cape Town

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53 Willie van Schoor Avenue
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14 Papegaai Street, Stellenbosch
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Independent Auditor's Report

To the Shareholder of Sentinel Finco (Ring Fenced) Limited

Opinion

We have audited the financial statements of Sentinel Finco (Ring Fenced) Limited (the company) set out on pages 14 to 39, which comprise the statement of financial position as at 28 February 2026; and the statement of profit or loss and other comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Sentinel Finco (Ring Fenced) Limited as at 28 February 2026 and its financial performance and cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

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 are independent of the company, in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Expected Credit Loss: As disclosed in note 7 of the financial statements, the company holds loans receivable to the amount of R184,267,909 at year-end. The loans receivable are measured at amortised cost. Management applied judgement in determining the expected credit losses associated with the loans receivable by considering industry rates regarding probability of default as well as loss given default. Further judgement was applied with regards to categorising loans receivable into 3 stages based on days in arrears**.** The judgement applied by management in determining the expected credit loss on loans receivable, as disclosed in accounting policy note 4.2, accounting policy note 5.1 and notes to the financial statements note 7, is considered a key audit matter.	We held discussions with management to obtain an understanding of the process applied in terms of determining the expected credit loss. We obtained management's expected credit loss calculation and considered the reasonableness of the judgement applied by management by performing the following procedures: • Obtained an understanding of the method, assumptions and data used by management to calculate the expected credit loss by inspecting and inquiring regarding management's expected credit loss calculations. • Recalculated management's expected credit loss to ensure the mathematical accuracy. • Considered the reasonableness of management's categorisation of loans receivable into different stages by confirming the actual payments received per loan, for a selection of loans receivable, to the payments required in terms of the loan agreement. • Inspected the Participating Asset Sale Agreement to confirm that the company has the legal right to each participating asset and its related security, in the case of default. • Obtained the list of loans receivable and for a sample of loans receivable, we inspected Title Deed reports to ensure that Sentinel Homes Proprietary Limited (Originator and Servicer) is the registered owner of the underlying properties. • Assessed the reasonableness of the loss given default percentage used by management by inspecting the value of the property as per the most recent municipal valuation for a selection of properties and recalculating a loss default rate. • Independently inspected credit ratings available in the open market, categorising the probability defaults (PDs) of loans receivable, and comparing it to management's categorisation. • Calculating a range of possibilities for the expected credit loss provision of loans receivable using our inputs and ensured that management's estimate falls within this

	calculated range. • We evaluated the disclosures relating to loans receivable to ensure compliance with IFRS Accounting Standards as issued by the IASB, including IFRS 7 and IFRS 9. Based on the procedures performed, no material misstatements were identified.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled “Sentinel Finco (Ring Fenced) Limited Annual Financial Statements for the year ended 28 February 2026”, which includes the Directors’ Report, the Audit Committee Report and the Certificate by the Company Secretary, as required by the Companies Act of South Africa, and the Practitioner’s Compilation Report. The other information does not include the 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 an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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. If, based on the work we have performed, 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.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, 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 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 company or to cease operations, or have no realistic alternative but to do so.

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 company's 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 company to cease to continue as a going concern.
- 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 communicate 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.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PKF Cape Town

PKF Cape Town
J Lochner
Partner
Registered Auditor

20 May 2026
BELLVILLE

CERTIFICATE BY THE COMPANY SECRETARY

The Company Secretary of Sentinel Finco (Ring Fenced) Limited certifies that in terms of section 88(2) of the Companies Act of South Africa, the Company has lodged with the Companies and Intellectual Property Commission of South Africa all such returns and notices as are required of a public company in terms of this Act and that all such returns are true, correct and up to date in respect of the reporting period ended 28 February 2026.

Signed by:

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TMF Capital Markets Services (South Africa) Proprietary Limited
represented by Marian Griffin Kloot

19 May 2026

C2M Chartered Accountants Inc.

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PRACTITIONER'S COMPILATION REPORT

To the Director of Sentinel Finco (Ring Fenced) Limited

We have compiled the annual financial statements of Sentinel Finco (Ring Fenced) Limited, as set out on pages 14 - 39, based on information you have provided. These annual financial statements comprise the statement of financial position of Sentinel Finco (Ring Fenced) Limited as at 28 February 2026, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with IFRS Accounting Standards as issued by the IASB. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these annual financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with IFRS Accounting Standards as issued by the IASB.

Signed by:

C2M | Christiaan Binneman

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C Binneman
Chartered Accountant (S.A.)
Associate

19 May 2026

Tygerforum B
53 Willie van Schoor Drive
Tygervalley
Bellville
7530

STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2026

Figures in Rand	Notes	2026	2025
Assets			
Non-Current Assets			
Loans receivable	7	177,486,415	149,402,986
Deferred tax	8	147,706	123,341
		177,634,121	**149,526,327**
Current Assets			
Loans receivable	7	6,781,494	5,671,064
Trade and other receivables	9	2,092,913	516,491
Cash and cash equivalents	10	6,040,340	7,451,187
Current tax receivable		234,638	107,750
		15,149,385	**13,746,492**
Total Assets		**192,783,506**	**163,272,819**
Equity and Liabilities			
Equity			
Share capital	11	37,600,150	31,300,150
Retained income		1,960,602	2,685,577
		39,560,752	**33,985,727**
Liabilities			
Non-Current Liabilities			
Debt issued	13	150,000,000	75,148,233
Current Liabilities			
Debt issued	13	3,169,054	54,043,781
Trade payables	14	53,700	95,078
		3,222,754	**54,138,859**
Total Liabilities		**153,222,754**	**129,287,092**
Total Equity and Liabilities		**192,783,506**	**163,272,819**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in Rand	Notes	2026	2025
Finance income using effective interest rate	15	19,959,223	20,424,353
Finance cost	16	(15,595,191)	(16,034,986)
Net finance income		**4,364,032**	**4,389,367**
Other income	17	100,442	91,504
Impairment losses/(reversals) on loans receivable	18	(150,402)	35,137
Other expenses	18	(2,567,462)	(2,247,673)
Profit before tax		**1,746,610**	**2,268,335**
Income tax expense	19	(471,585)	(612,450)
Total comprehensive income for the year		**1,275,025**	**1,655,885**

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Ordinary share capital	Preference share capital	Total stated capital	Retained income	Total equity
Balance at 01 March 2024	**150**	**31,300,000**	**31,300,150**	**3,029,692**	**34,329,842**
Profit for the year	-	-	-	1,655,885	1,655,885
Total comprehensive income for the year	**-**	**-**	**-**	**1,655,885**	**1,655,885**
Dividends paid to preference shareholder	-	-	-	(2,000,000)	(2,000,000)
Balance at 01 March 2025	**150**	**31,300,000**	**31,300,150**	**2,685,577**	**33,985,727**
Profit for the year	-	-	-	1,275,025	1,275,025
Total comprehensive income for the year	**-**	**-**	**-**	**1,275,025**	**1,275,025**
Issue of preference shares	-	6,300,000	6,300,000	-	6,300,000
Dividends paid to preference shareholder	-	-	-	(2,000,000)	(2,000,000)
Balance at 28 February 2026	**150**	**37,600,000**	**37,600,150**	**1,960,602**	**39,560,752**
Note	11	11	11		

STATEMENT OF CASH FLOWS

Figures in Rand	Notes	2026	2025
Cash flows from operating activities			
Cash used in operations	20	(2,186,523)	(2,547,902)
Tax paid	21	(622,838)	(682,262)
Net cash used in operating activities		**(2,809,361)**	**(3,230,164)**
Cash flows from investing activities			
Acquisition of loans receivable		(48,789,387)	(23,557,225)
Receipts from loans receivable		35,638,586	45,147,992
Net cash from/(used in) investing activities		**(13,150,801)**	**21,590,767**
Cash flows from financing activities			
Proceeds from preference shares issued	11	6,300,000	-
Proceeds from debt issued	13	25,000,000	-
Repayments of debt issued	13	(16,750,685)	(16,339,041)
Dividends paid to preference shareholder	12	-	(2,000,000)
Net cash (used in)/from financing activities		**14,549,315**	**(18,339,041)**
Net (decrease)/increase in cash and cash equivalents		**(1,410,847)**	**21,562**
Cash and cash equivalents as at 1 March		7,451,187	7,429,625
Cash and cash equivalents at 28 February	10	**6,040,340**	**7,451,187**

ACCOUNTING POLICIES

1. General Information

Sentinel Finco (RF) Limited ('the Company') is incorporated and domiciled in South Africa. The Company has listed an asset-backed note programme on the JSE Limited and issues interest-bearing securities on that market.

The principal activities of the Company are disclosed on page 1 and in the Directors' Report.

2. Statement of compliance

The annual financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB, the SAICA Financial Reporting Guide as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the Companies Act of South Africa (‘the Companies Act').

The annual financial statements were authorised for issue by the Board of Directors on 19 May 2026.

3. Basis of preparation

The annual financial statements have been prepared as a going concern on the historical cost basis. The accounting policies, inclusive of reasonable judgements and assessments (refer to note 4), have been consistently applied for all reporting periods presented and comply with IFRS Accounting Standards as issued by the IASB.

The annual financial statements are presented in South African Rand (ZAR), which is the functional currency of the Company, and amounts are rounded to the nearest Rand.

4. Significant judgements and estimates

In preparing these annual financial statements, management is required to make judgements and estimates that may affect the application of the Company’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

4.1 Judgements

Management did not apply any significant judgements in the application of accounting policies or in applying estimations, except for those estimations mentioned in note 4.2, during the current or prior reporting periods.

4.2 Assumptions and estimation uncertainties

The annual financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following reporting period. The loss allowance on loans receivable has been determined by applying estimation (refer to note 7), as explained in note 5.1, expected credit loss is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information. Management determined that this estimation does not carry a significant risk of material adjustments in the following reporting period.

4.3 Statement of Cash Flows classification

The Statement of Cash Flows, as presented within these annual financial statements, is prepared in compliance with IAS 7: Statement of Cash Flows. While the elements of judgement from Management within this financial reporting period have not changed in applying IAS 7, the Combined Findings of the JSE Proactive Monitoring of Financial Statements (Date of issue: 31 October 2024) have highlighted that incorrect application of IAS 7 has been a continuing problem, affecting the users of various listed annual financial statements' ability to adequately analise, understand and conclude on the presented figures. As part of Management's commitment to achieve transparent presentation and to provide relevant disclosures to users of its annual financial statements, judgement applied with application of paragraph 33 are consequently disclosed within the accounting policy below.

Regardless of this judgement, Management does acknowledge that users of the annual financial statements will find additional disclosure related to the accrual of interest allocated to the specific underlying financial instrument useful in certain circumstances. Resultingly, Note 7: Loans receivable, Note 13: Debt issued, Note 15: Finance income using effective interest rate and Note 16: Finance costs are enhanced with additional information to provide sufficient detail relating both the classification of cash flow and non-cash flow items relating to each financial instrument, and to allow a user to identify the interest accrued to each financial instrument which were classified as non-cash flow per Management's judgement. Management is of opinion that this extended disclosure will achieve transparency with its users, and allow users to have the necessary information to understand and be able to make decisions based on the figures presented.

IAS 7 paragraph 33 requires cash flows from interest and dividends received and paid to be disclosed separately. IAS 7 does not, however, provide guidance in applying this paragraph. The Company's interest received and paid on the loans receivable and debt issued, respectively, first accrues to the underlying financial instrument before settlement is ultimately applied to the appropriate capitalised amount. It is Management's judgement that, resultant from the separate accrual of the interest amounts, the receipts and payments is always seen as capital in nature and be classified as such within the Statement of Cash Flows under Investing Activities and Financing Activities, respectively, as permitted by non-financial institutions. The Company is not seen as a financial institution as referred to within IAS 7.

5 Material accounting policies

5.1 Financial instruments

Recognition and initial measurement

The Company recognises financial assets and financial liabilities when the Company becomes a party to the contractual provisions of the instrument. Trade and other receivables, cash and cash equivalents, loans receivable, debt issued and trade payables are initially recognised when they are originated.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade and other receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets – classification

The Company's financial assets comprise only financial assets at amortised cost which consist of loans receivable, trade and other receivables and cash and cash equivalents.

A financial asset is measured at amortised cost when the following criteria are met:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company assessed its financial assets in relation to the various considerations of the business model and concluded that all the financial assets are held by the Company with the main objective of collecting the contractual cash flows and that the contractual terms give rise to cash flows that are solely payments of principal and interest. Other factors considered by the Company that support the assessment include the fact that the portfolios of these financial instruments are assessed on the collectability of the portfolio, the fact that the Company does not have a history of selling these types of financial instruments and the fact that the remuneration of managers includes compensation based on the effective collectability of these financial instruments.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets – Subsequent measurement and gains and losses

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income and impairment are recognised in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in profit or loss.

The Company's financial liabilities comprise only financial liabilities at amortised cost using the effective interest method which consist of trade payables and debt issued.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. An interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset or liability. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for loans receivable and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured at 12-month ECLs.

Loss allowances for loans receivable are measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Loans are then grouped in such a manner that they share similar credit risk characteristics, such as the nature of the loan, external credit ratings (if available), industry of counterparty etc. The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs, i.e., the simplified approach, for the entire class of trade receivables.

ACCOUNTING POLICIES

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the financial asset is more than 90 days past due, after which it is considered to be credit-impaired.

The Company classifies loans receivable into 3 different stages based on arrears as follows:
- Standard Performing - Not more than 30 days past due (Stage 1)
- Performing Active - More than 30 days but not more that 90 days past due (Stage 2)
- Non-Performing - More than 90 days past due (Stage 3)

When estimating ECLs, the Company considers the maximum contractual period over which the Company is exposed to credit risk.

Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets measured at amortised cost are credit-impaired. A financial asset or finance lease receivable is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset or finance lease receivable have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECL in the statement of financial position

Financial assets measured at amortised cost are presented net of the related loss allowance.

Presentation of impairment loss or gain in profit or loss

Any impairment loss or gain is recognised in profit or loss and presented as a separate line item.

Write-off

The Company writes off the gross carrying amount of a financial asset when there is information indicating that the counterparty is in severe financial difficulty, Sentinel Homes Proprietary Limited ("Sentinel Homes"), as the originator, will not buy back the loan receivable and there is no realistic prospect of recovery, e.g., when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Company recovery procedures, taking into account legal advice where appropriate, except for trade and other receivables and loans receivable which are not subject to enforcement activities once written off. Any recoveries made are recognised in profit or loss.

5.2 Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only where:
- there is a legally enforceable right to set off the recognised amounts; and
- there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes.

Deferred tax is not recognised for:
- temporary differences on the initial recognition of assets or liabilities in a transaction that
  - (i) is not a business combination; and
  - at the time of transaction (ii) affects neither accounting nor taxable profit or loss and (iii) does not give rise to equal taxable and deductible temporary differences;

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised with such reductions being reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity and they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

5.3 Share capital

Ordinary shares

Ordinary shares are classified as equity and presented as stated capital. Incremental external costs directly attributable to the issue of ordinary shares are recognised in equity as a deduction, net of tax from the proceeds.

Preference shares

The Company’s redeemable preference shares are classified, as equity, as the redemption of the capital is at the option of the Company and dividends are discretionary. Dividends are recognised as a liability when they are declared.

5.4 Finance income and finance costs

Interest income on loans receivable and cash balances is accrued on a time basis, using the effective interest method, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to that asset’s net carrying amount.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

ACCOUNTING POLICIES

Finance income and finance costs (continued)

All finance costs are recognised in profit or loss using the effective interest method in the period in which they are incurred.

5.5 Other income

The Company earns fees for providing specific administrative tasks and services in relation to certain of its financial assets. Transactional servicing fees are recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for providing the services.

The performance obligations, as well as the timing of their satisfaction, are identified, and determined, at the inception of the contract. Other income contracts do not include multiple performance obligations. The nature of the other income contracts results in a single performance obligation. Therefore, no significant judgements are required when allocating the transaction price to the performance obligation.

When the service is provided, consideration is invoiced and generally due immediately upon satisfaction of a service provided at a point in time.

The Company's fee income comprises:
- Income earned on the execution of a distinct performance obligation is recognised when the distinct performance obligation has been performed, i.e., at a point in time.
- Fees charged for servicing a loan are recognised as the performance obligation is provided, which in most instances occurs monthly. Payment of these fees is normally due and receivable in advance.

Income that forms an integral part of the effective interest rate of a financial instrument is recognised as an adjustment to the effective interest rate and recognised in finance income.

5.6 Operating profit

Operating profit is the result generated from the continuing principal revenue-producing activities of the Company as well as other income and expenses related to operating activities. Operating profit excludes finance income (except where recognised as revenue) and income taxes.

5.7 Operating segment

The Company operates as one segment. All disclosure in the annual financial statements is provided as the primary segment.

6. Standards and interpretations not yet effective

New and revised standards and interpretations issued but not yet effective.

The Company has not early adopted the new or amended standards and interpretations in preparing these annual financial statements.

The following amended standards and interpretations are applicable to the Company and will have a material impact on the annual financial statements and will be adopted on the effective date disclosed below:

Standards/Interpretations:	Details	Effective date
IFRS 18 Presentation and Disclosures in Financial Statements	IFRS 18, effective January 1, 2027, aims to improve the presentation and disclosure in financial statements. It introduces defined subtotals in the statement of profit or loss, requires disclosures of management-defined performance measures, and adds principles for aggregation and disaggregation of items. These changes enhance the clarity and usefulness of financial statements for stakeholders.	Annual reporting periods beginning on or after 01 January 2027

Figures in Rand	2026	2025

7. Loans receivable

Gross carrying amount	185,179,676	155,835,415
Less: Loss allowance	(911,767)	(761,365)
Balance at 28 February	**184,267,909**	**155,074,050**

Split between non-current and current portions

Non-current assets	177,486,415	149,402,986
Current assets	6,781,494	5,671,064
	184,267,909	**155,074,050**

Loans receivable information

The loans receivable balance at reporting date consists of 137 (2025: 112) loan transactions, with an average outstanding amount of R1,351,676 (2025: R1,398,353). The weighted average interest rate charged in respect of the loans receivable is a floating rate of prime plus 1.21% (2025: 1.38%). The weighted average loan to value (LTV) of the portfolio is 76.97% (2025: 76.92%), measured as the outstanding debt divided by the last valuation of the subject property by a registered valuer, and adjusted for the weight of each exposure measured against the portfolio. The weighted average remaining term of the loans receivable is 81 (2025: 84) months from the reporting date.

Loans receivable are secured by the underlying properties financed, as provided for in the Programme Memorandum, which are held and administered by the Servicer under the provisions of the servicing agreement. Loans receivable serves as collateral for debt issued in note 13.

Acquisition of loans receivable from Sentinel Homes

The Company acquires loans receivable (referred to as 'Participating Assets' in the context of the agreements) from Sentinel Homes under which the Company acquires the right, title and interest in and to a portfolio of Participating Assets which comply with the Eligibility Criteria.

Details of the Eligibility Criteria are included in the Programme Memorandum which is available at the following link, https://www.sentinelhomes.co.za/investor-relations/

In accordance with the agreement between Sentinel Homes and the Company, a repurchase option exists in that Sentinel Homes has the right, but not the obligation, to repurchase a Participating Asset from the Company subject to the provisions of the underlying agreement.

Sentinel Homes may only repurchase a Participating Asset where:

- there is a material change in the circumstances of a Borrower that results in Sentinel Homes repurchasing such Participating Asset for business reasons; or
- the relevant Borrower requests a material change to the terms of the relevant Credit Agreement; or
- if the Credit Agreement becomes non-performing.

In addition, subject to the satisfaction of the requirements set out below, Sentinel Homes has the right, but not the obligation, to substitute by written notice to the Company, one or more Participating Assets sold to the Company by Sentinel Homes ('a Replacement Asset').

Each substitution of a Replacement Asset for a predecessor Participating Asset ('Predecessor Asset') will be subject to satisfaction that:

- after such substitution, the Portfolio Covenants (refer below) will be satisfied;
- the Replacement Asset will be of similar or better credit quality than that of the Predecessor Asset;
- the Replacement Asset or group of Replacement Assets will have a principal balance not less than the principal balance of the Predecessor Asset; and
- the Replacement Asset complies with the Eligibility Criteria.

The portfolio of Participating Assets must meet the following covenants ('Portfolio Covenants'):

7. Loans receivable (continued)

- the Weighted Average LTV Ratio of all the loans in the Portfolio is less than 85%;
- the Weighted Average remaining term of loans must not be less than 12 months unless the Company is being wound down;
- the Weighted Average Interest Yield of the loans in the Portfolio is not less than the prime rate less 1.25%; and
- loans in respect of which the original financing provided was less than R300,000 shall not exceed 20% of all loans in the Portfolio.

The Company has remained compliant with the Programme Memorandum for the current and prior reporting periods.

Exposure to credit risk

Loans receivable inherently expose the company to credit risk, being the risk that the company will incur financial loss if counterparties fail to make payments as they fall due. There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

In determining the amount of expected credit losses, the company has taken into account any historic default experience, the financial positions of the counterparties as well as the future prospects in the industries in which the counterparties operate or are employed. This information has been obtained from the counterparties themselves, as well as from economic reports, financial analyst reports and various external sources of actual and forecast data and is applied to estimate a probability of default occurring as well as estimating the loss upon default.

The carrying amount of loans receivable represents the maximum credit exposure.

The Company has refined its estimation technique for assessing credit risk, enabled by the availability of more comprehensive historical data. This refinement does not represent a material or significant change in estimation methodology. Furthermore, there have been no changes to the significant assumptions applied during the current reporting period.

7. Loans receivable (continued)

Expected credit loss assessment

The loss allowance is determined in accordance with the following industry-standard expected loss formula:
- ECL = PD x LGD x EAD, where ECL is the expected loss;
- PD is the probability of default;
- LGD is the loss-given-default;
- EAD is the exposure at default of the gross carrying amount.

The probability of default is estimated for counterparties on a 12-month horizon because of the credit calibration performed to create the credit and risk policy under which the loan receivables were originated. This statistical calibration was performed with reference to historical mortgage data which is viewed as a conservative approach when considering the relative likelihood of performance under instalment sales transactions. The loss-given-default is usually estimated using average numbers from the home loan market, even though the actual loss-given-default for loans originated by the originator under their credit and risk policy is lower.

The following tables set out the carrying amount, loss allowance and measurement basis of expected credit losses for loans receivable:

2026

Instrument	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
1	12m ECL	139,572,779	(523,591)	139,049,188
2	Lifetime ECL (not credit impaired)	37,182,388	(278,868)	36,903,520
3	Lifetime ECL (credit impaired)	8,424,509	(109,308)	8,315,201
		185,179,676	**(911,767)**	**184,267,909**

2025

Instrument	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
1	12m ECL	121,387,823	(457,805)	120,930,018
2	Lifetime ECL (not credit impaired)	26,449,981	(199,368)	26,250,613
3	Lifetime ECL (credit impaired)	7,997,611	(104,192)	7,893,419
		155,835,415	**(761,365)**	**155,074,050**

Figures in Rand	2026	2025

7. Loans receivable (continued)

Reconciliation of loss allowances

The following tables present the movement in the loss allowances for loans receivable:

Loans receivable: Loss allowance measured at 12 month ECL:

Balance as at 1 March	457,805	697,530
Net remeasurement of existing loans receivable	(38,661)	(43,232)
Amounts derecognised due to derecognition of loans receivable	(47,194)	(90,856)
Amounts recognised in respect of loans receivable acquired	163,740	80,500
Transfer to lifetime expected credit losses (not credit impaired)	(48,591)	(162,827)
Transfer from lifetime expected credit losses (not credit impaired)	27,899	25,026
Transfer to lifetime expected credit losses (credit impaired)	(7,256)	(48,336)
Transfer from lifetime expected credit losses (credit impaired)	15,849	-
Balance as at 28 February	**523,591**	**457,805**

Loans receivable: Loss allowance measured at lifetime ECL (not credit impaired):

Balance as at 1 March	199,368	98,972
Net remeasurement of existing loans receivable	27,890	37,517
Amounts derecognised due to derecognition of loans receivable	(3,236)	(24,849)
Amounts recognised in respect of loans receivable acquired	24,365	5,783
Transfer to 12 month expected credit losses	(27,899)	(25,026)
Transfer from 12 month expected credit losses	48,591	162,827
Transfer to lifetime expected credit losses (credit impaired)	(21,819)	(55,856)
Transfer from lifetime expected credit losses (credit impaired)	31,608	-
Balance as at 28 February	**278,868**	**199,368**

Loans receivable: Loss allowance measured at lifetime ECL (credit impaired):

Balance as at 1 March	104,192	-
Net remeasurement of existing loans receivable	49,960	-
Amounts derecognised due to derecognition of loans receivable	(26,462)	-
Transfer to 12 month expected credit losses	(15,849)	-
Transfer from 12 month expected credit losses	7,256	48,336
Transfer to lifetime expected credit losses (not credit impaired)	(31,608)	-
Transfer from lifetime expected credit losses (not credit impaired)	21,819	55,856
Balance as at 28 February	**109,308**	**104,192**
Total loss allowance at end of reporting period	**911,767**	**761,365**

Fair value of loans receivable

The fair value of loans receivable approximates its carrying amount.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2026	2025

8. Deferred tax

Deferred tax asset

Loss allowance	147,706	123,341
Deferred tax asset	147,706	123,341

Reconciliation of deferred tax asset

At beginning of year	123,341	129,033
Taxable / (deductible) temporary difference on loss allowance	24,365	(5,692)
	147,706	**123,341**

Recognition of deferred tax asset

The Company has recognised a deferred tax asset in respect of deductible temporary differences on its loss allowance. The Company believes that it is probable that sufficient future taxable profits will be earned to utilise the deductible temporary difference based on the Company's performance forecast.

9. Trade and other receivables

Debit orders receivable	2,092,913	515,241
Other receivable	-	1,250
Total trade and other receivables	**2,092,913**	**516,491**

Debit orders receivable represent amounts receivable from Sentinel Homes.

Exposure to credit risk

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if customers fail to make payments as they fall due.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

The carrying amount of trade receivables represents the maximum credit exposure.

In calculating the ECL rates, the Company considers historical loss rates for trade receivables, and adjusts for both historical and forward looking data. No evidence of a significant increase in credit risk or shortfall in payment expectations have been identified.

As at reporting date, no receivables were considered to be past due nor impaired (2025: R0).

The Company considers all of the indicators within the ECL model when determining the credit risk associated with trade receivables. The Company has determined that there is no significant credit risk based on the nature of the receivables representing debit orders receivable and the negligible historical customer default. Therefore, based on the loss allowance being considered immaterial, the Company has not recognised the loss allowance for trade receivables.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

Figures in Rand	2026	2025

10. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	6,040,340	7,451,187

There are no overdraft facilities on any of the current bank accounts.

The Company holds cash and cash equivalents with reputable financial institutions. These institutions have a national short-term and national long-term credit rating from S&P Global rating agency of zaA-1+ or above and zaAAA or above, respectively.

Credit risk

ECLs of cash and cash equivalents have been measured on a 12-month ECL basis and reflect the short maturities of the exposures. The Company considers all of the indicators within the ECL model when determining the credit risk associated with cash and cash equivalents.

The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the financial institutions combined with the fact that the institutions are reputable within the economic environment. Therefore, no loss allowance has been recognised in respect of cash and cash equivalents during the current or prior reporting periods.

11. Share capital

Authorised	**Number of shares**	
Ordinary shares of no par value	5,000	5,000
Cumulative redeemable preference shares of no par value	5,000	5,000
	10,000	**10,000**
Issued and paid in full		
100 Ordinary shares of no par value	150	150
376 Cumulative redeemable preference shares of no par value	37,600,000	31,300,000
	37,600,150	**31,300,150**

Ordinary Shares
Holders of ordinary shares are entitled to vote on all matters affecting the Company, except where the Companies Act or the Memorandum of Incorporation (“MOI”) provides that a resolution is to be decided solely by holders of another class of shares. Ordinary shareholders are entitled to distributions and, upon liquidation, a share in the residual assets of the Company after satisfaction of claims of preference shareholders.

Cumulative Redeemable Preference Shares
Holders of cumulative redeemable preference shares are entitled to receive a discretionary dividend (the "Preferential Dividend"), as determined by the Board, out of available cash in accordance with the applicable Priority of Payments (as defined in the Programme Memorandum), and in priority to any ordinary share dividends. Dividends are non-compounding and not guaranteed unless declared. If any declared Preferential Dividends remain unpaid for more than six months, preference shareholders acquire voting rights at general meetings until such arrears are settled. They also vote on matters affecting their rights or interests directly, including winding up or capital reduction proposals, as per clause 12.8 of the MOI .

Preference shares are redeemable at the option of the Company, with at least 30 days’ prior notice, and on terms set out in the MOI. Upon winding-up, preference shareholders rank ahead of ordinary shareholders for return of capital and declared but unpaid Preferential Dividends, but have no right to participate in surplus funds thereafter.

The Company’s operations are ring-fenced and are restricted and regulated in accordance with the MOI and Programme Memorandum.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2026	2025
12. Dividends paid		
Dividends	(2,000,000)	(2,000,000)

A final preference share dividend of 531,915 cents per share was approved by the board of directors on the 26th of February 2026 in South African currency in respect of the year ended 28 February 2026. The dividend payment date is the 28th of February 2026 to the preference shareholder recorded in the register of the Company.

13. Debt issued

The Company has issued debt in the form of Class A notes, to noteholders at rates and scheduled maturity dates as set out below. The debt is unsubordinated and is asset-backed by the loans receivable included in note 7. The reference rate used in the calculation of the interest expense under the debt in issue is the South African prime rate, measured as provided for in the relevant applicable pricing supplement and with reference to the programme memorandum.

Basic terms of the debt issued are as follow:

Debt issued

Class A notes	Scheduled maturity date	Final redemption date	Spread above reference rate	Capital amount	
Unsubordinated, asset-backed notes - STF001	01/03/2027	01/03/2032	1.75%	75,000,000	75,000,000
Unsubordinated, asset-backed notes - STF002	01/02/2026	01/03/2032	0.50%	-	50,000,000
Unsubordinated, asset-backed notes - STF003	24/10/2030	24/10/2035	0.50%	75,000,000	-
				150,000,000	**125,000,000**

The following table presents the reconciliation of changes arising from cash flows and non-cash changes for the reporting period:

	2026	2025
Balance at 1 March	129,192,014	129,496,069
Cash flow changes:		
Interest paid	(16,750,685)	(16,339,041)
Debt issued	25,000,000	-
Non-cash changes:		
Interest accrual on debt issued	15,727,725	16,034,986
Balance at 28 February	**153,169,054**	**129,192,014**

Prime lending rate information

The average South African prime lending rate for the current period was 10.60% (2025: 11.55%) and the average weighted interest rate of debt issued for the current period was 11.88% (2025: 12.80%).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2026	2025

13. Debt issued (continued)

Split between non-current and current portions

Non-current liabilities	150,000,000	75,148,233
Current liabilities	3,169,054	54,043,781
	153,169,054	**129,192,014**

Fair value of debt issued

The fair value of debt issued approximates their carrying amounts.

14. Trade and other payables

Financial instruments:		
Trade payables	53,700	95,078

Fair value of trade payables

The fair value of trade and other payables approximates their carrying amounts.

15. Finance income using effective interest rate

Bank	6,836	12,238
Loans receivable	19,952,387	20,412,115
	19,959,223	**20,424,353**

The following table presents the reconciliation of changes arising from cash flows and non cash

Cash flow changes:		
Receipts	6,836	12,238
Non-cash changes:		
Effective interest raised on loans receivable	19,952,387	20,412,115
	19,959,223	**20,424,353**

16. Finance costs

Debt issued	15,595,191	16,034,986

The following table presents the reconciliation of changes arising from cash flows and non-cash

Non-cash changes:		
Interest accrual on debt issued	15,595,191	16,034,986

17. Other income

Transactional servicing fees	100,442	91,504

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2026	2025

18. Operating profit

Operating profit includes:

Movement in credit loss allowances		
Impairment loss(Reversal) on loans receivable	150,402	(35,137)

Expenses by nature

Other expenses are analysed by nature of expense as follows:

Administrative and managerial services	1,336,180	1,258,338
Bad debt written off	463,381	262,881
Consulting and professional services	679,503	445,211
Secretarial services	88,398	281,243
	2,567,462	**2,247,673**

19. Income tax

Major components of the income tax expense

Current		
Local income tax - current period	495,950	606,758
Deferred		
Current period - originating and reversal of temporary differences	(24,365)	5,692
Income tax expense recognised in profit or loss	**471,585**	**612,450**

Reconciliation of the income tax expense

Reconciliation between accounting profit before tax and income tax expense.

Profit before tax	1,746,610	2,268,335
Tax at the applicable tax rate of 27% (2025: 27%)	471,585	612,450

20. Cash used in operations

Profit before tax	1,746,610	2,268,335
Adjustments for:		
Finance income	(19,959,223)	(20,424,353)
Finance costs	15,595,191	16,034,986
Impairment (reversal)/losses on loans receivable	150,402	(35,137)
Non-cash portion of loans processed through trade receivables	(101,704)	119,134
Non-cash portion of dividend paid through trade receivables	2,000,000	-
Changes in working capital:		
Trade and other receivables	(1,576,421)	(247,835)
Trade and other payables	(41,378)	(263,032)
	(2,186,523)	**(2,547,902)**

Figures in Rand	2026	2025
21. Tax paid		
Balance at 1 March	107,750	32,246
Current tax recognised in profit or loss	(495,950)	(606,758)
Balance at 28 February	(234,638)	(107,750)
	(622,838)	**(682,262)**

22. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2026

	Notes	Amortised cost	Total	Fair value
Loans receivable	7	184,267,909	184,267,909	184,267,909
Trade and other receivables	9	2,092,913	2,092,913	2,092,913
Cash and cash equivalents	10	6,040,340	6,040,340	6,040,340
		192,401,162	**192,401,162**	**192,401,162**

2025

	Notes	Amortised cost	Total	Fair value
Loans receivable	7	155,074,050	155,074,050	155,074,050
Trade and other receivables	9	516,491	516,491	516,491
Cash and cash equivalents	10	7,451,187	7,451,187	7,451,187
		163,041,728	**163,041,728**	**163,041,728**

Categories of financial liabilities

2026

	Notes	Amortised cost	Total	Fair value
Debt issued	13	153,169,054	153,169,054	153,169,054
Trade payables	14	53,700	53,700	53,700
		153,222,754	**153,222,754**	**153,222,754**

2025

	Notes	Amortised cost	Total	Fair value
Debt issued	13	129,192,014	129,192,014	129,192,014
Trade payables	14	95,078	95,078	95,078
		129,287,092	**129,287,092**	**129,287,092**

Figures in Rand		2026	2025

22. Financial instruments and risk management (continued)

Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company consists of debt, which includes the debt issued (refer to note 13) and equity as presented in the statement of financial position.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the prior reporting period.

Maintenance, as a minimum, of capital sufficient to meet the statutory requirements and such additional capital as management believes is necessary to ensure that obligations can be met on a timely basis.

The Company further ensures that it can meet its expected capital and financing needs at all times, having regard to its business plans, forecasts and strategic initiatives.

The capital structure of the company at the reporting date was as follows:

Financial liabilities at fair value	13	153,169,054	129,192,014
Cash and cash equivalents	10	(6,040,340)	(7,451,187)
Net debt		**147,128,714**	**121,740,827**
Equity		39,560,752	33,985,727
Gearing ratio %		372	358

22. Financial instruments and risk management (continued)

Financial risk management

Overview

The company is exposed to the following risks from its use of financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk (interest rate risk).

The board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The company Audit Committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the company.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company is exposed to credit risk on loans receivable (refer to note 7), trade receivables (refer to note 9) and cash and cash equivalents (refer to note 10). The credit risk in respect of each is addressed in the note to each class of financial asset.

22. Financial instruments and risk management (continued)

Liquidity risk

The company is exposed to liquidity risk, which is the risk that the company will encounter difficulties in meeting its obligations as they become due.

The company manages its liquidity risk by effectively managing its working capital, purchases of loans receivable and cash flows. The financing requirements are met through a mixture of cash generated from operations, issuing preference shares and issuing debt.

These amounts are gross and undiscounted, include contractual interest payments, are prepared on the basis that maturing debts are not refinanced in the ordinary course of business, and prepared without consideration of the possible extension of maturity under the provisions of the Programme Memorandum and the various Programme documents.

2026

		Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Debt issued	13	17,062,500	85,116,781	96,360,103	198,539,384	153,169,054
Trade and other payables	14	53,700	-	-	53,700	53,700
		(17,116,200)	**(85,116,781)**	**(96,360,103)**	**(198,593,084)**	**(153,222,754)**

2025

		Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Debt issued	13	66,215,753	9,452,055	77,388,699	153,056,507	129,192,014
Trade and other payables	14	95,078	-	-	95,078	95,078
		(66,310,831)	**(9,452,055)**	**(77,388,699)**	**(153,151,585)**	**(129,287,092)**

Market risk (interest rate risk)

The Company's interest rate risk mainly arises from loans receivables and debt issued, which bear interest linked to the South African prime lending rate and expose the Company to cash flow interest rate risk.

The Company performs an interest rate sensitivity analysis to assess the potential impact of fluctuations in interest rates on its financial position and performance. The Company purchases loans receivable that generates finance income at rates linked to the prevailing prime rate and also borrows funds tied to the same benchmark. This dual linkage exposes the Company to interest rate risk, where changes in the prime rate can influence both finance income and interest expense. Management regularly monitors this sensitivity to assess the potential effects on net finance income and overall profitability, employing various scenarios and stress-testing methodologies to gauge the resilience of the business under different interest rate environments.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

Figures in Rand	2026	2025

23. Directors' emoluments and key management personnel

According to IAS 24, Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any directors (whether executive of otherwise) of the entity. The Company has no employees. Key management personnel compensation was to service providers paid during the year (note 18).

All the directors of the Company are employed by external companies and are remunerated by their respective employer on a separate basis. There were no remuneration or benefits paid directly to the directors of the Company, by the Company or any other Company within the same group of companies as defined by the Companies Act, during the current or prior years. Three directors are remunerated by, TMF Capital Markets Services (South Africa) Proprietary Limited (formerly known as Stonehage Fleming Corporate Services Proprietary Limited, a third party services provider, on a separate basis. The Servicer representative director is not remunerated for his services by the Company.

Directors' fees of R154,812 (2025: R152,449) were paid to TMF Capital Markets Services (South Africa) Proprietary Limited, for the majority of the directors, to provide corporate governance and other fiduciary services to the Company, which are included in Administrative and managerial services (note 18).

24. Related parties

Relationships

Ultimate parent	The Sentinel Finco Owner Trust
Directors	Brian William Smith Brendan Harmse Renier Kriek Phelia Loubser
Originator and Servicer	Sentinel Homes Proprietary Limited
Trustee of shareholder	TMF Capital Markets Services (South Africa) Proprietary Limited

Related party balances

	2026	2025
Amounts included in trade payables regarding related parties		
Sentinel Homes Proprietary Limited	(53,700)	-
Amounts included in trade receivables regarding related parties		
Sentinel Homes Proprietary Limited	2,092,911	515,238
Preference shares issued to be held by related parties		
Sentinel Homes Proprietary Limited	37,600,000	31,300,000

Related party transactions

	2026	2025
Servicer fees paid to related parties		
Sentinel Homes Proprietary Limited	644,400	602,921
Loans acquired from related parties		
Sentinel Homes Proprietary Limited	48,761,159	23,557,225
Loan repayments collected by related parties		
Sentinel Homes Proprietary Limited	35,638,586	45,147,992
Administration fees paid to (received from) related parties		
TMF Capital Markets Services (South Africa) Proprietary Limited	88,397	281,243
Preference share dividends declared to related parties		
Sentinel Homes Proprietary Limited	2,000,000	2,000,000

Figures in Rand	2026	2025

25. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

26. Events after the reporting period

The Directors are not aware of any material event which occurred after the reporting date and up to the date of this report.