

**CHAPEL HILL DENHAM
NIGERIA REAL ESTATE INVESTMENT TRUST
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025**

MANAGEMENT AND PROFESSIONAL ADVISORS

Fund Manager:	Chapel Hill Denham Management Limited
Registered Address:	10 Bankole Oki Street Ikoyi Lagos Tel: 244-1-2799563 Website: www.chapelhilldenham.com
Auditor:	KPMG Professional Services KPMG Tower, Bishop Aboyade Cole Victoria Island, Lagos Telephone: +224-1-2718955 Website: https://home.kpmg/ng Engagement Partner: Elijah Oladunmoye, FCA FRC/2013/PRO/ICAN/004/00000019769
Company Secretary to the Fund Manager:	TNP Secretaries Limited Email: baba@tnp.com.ng
Trustees to the Fund	Stanbic IBTC Trustees Limited Wealth House Plot 1678 Olakunle Bakare Close, off Sanusi Fafunwa St, Victoria Island, Lagos
Registrar to the Fund	Coronation Registrars Limited 9 Amodu Ojikutu St, Victoria Island, Lagos
Custodian to the Fund	Rand Merchant Bank 3rd Floor East Tower, Wings Office Complex, Victoria Island, Lagos
Banker to the Fund	Rand Merchant Bank 3rd Floor East Tower, Wings Office Complex, Victoria Island, Lagos
Estate Valuer	Diya, Fatimilehin & Co. 24 Adewunmi Adebimpe Dr, Scheme I 106104, Lekki (FRC/2013/NIESV/00000000754)

Trustee’s Report:

The Trustees present their report on the affairs of the Nigeria Real Estate Investment Trust (the Fund), together with the audited financial statements for year 2025.

Principal activity:

The principal activity of the Chapel Hill Denham Nigeria Real Estate Investment Trust (‘The Fund’) is to provide investors with access to high quality income producing real estate assets under the Rules on Real Estate Investment Schemes (namely Real Estate Investment Trusts and Companies) issued by the Securities and Exchange Commission. The Fund’s aim is to provide investors with regular and stable income by making primarily investments in income producing real estate assets located in Nigeria. Investments are focused on commercial (office, industrial, corporate residential and specialty) real estate sectors, and seek to provide investors with regular, growing income, as well as capital appreciation of the real estate portfolio over time, in accordance with and subject to the terms of its Trust Deed.

During the year under review, the Fund was administered in accordance with the Investments and Securities Act, 2025, Rules on REITs, the provisions of the Trust Deed together with the rules and regulations set out by the regulatory bodies pursuant to the legislation referred to within this paragraph (“Applicable Regulations”), taking into cognisance the prevailing market conditions as well as preserving of (and minimising possible losses to) Unitholders’ funds.

Results:

The result for the year is extracted from the financial records prepared by the Fund Manager and have been duly audited in accordance with Section 169(1) of the Investments and Securities Act 2025, and the Trust Deed establishing the Fund.

The Net Asset Value of the Fund as at 31 December 2025 is as follows:

<u>In thousands of Naira</u>	<u>31 December 25</u>
Net Assets Value	182,945,751

The operating result for the year ended 31 December 2025, is as follows:

<u>In thousands of Naira</u>	<u>31 December 25</u>
Profit for the year/period	25,066,477

Directors:

The Directors of the Fund Manager who served on the board of the Fund Manager during the year under review and up to the date of approving these financial statements were:

- Mr. Adesoji Adelaja, Chairman
- Mr. Mobolaji Balogun, Managing Director
- Mrs. Kemi Awodein
- Mr. Philip Southwell

Stanbic IBTC Towers Walter Carrington Crescent / P.O. Box 71707 Victoria Island Lagos Nigeria
Tel: +234-1-2801266, Fax +234-1-2716021/2 Registered Office: I.B.T.C. Place Walter Carrington Crescent, Victoria Island, Lagos

Stanbic IBTC Trustees Limited. RC846900

Directors: Olumide Oyetan (Chairman) Emi Agaba-Oloja (Chief Executive) Seyi Egbarin (Executive) Adegbite Adekola Abimbola Afolabi-Ajayi Tosin Leye-Odeyemi Chidi Okezie

Stanbic IBTC Trustees Limited is registered and regulated by the Securities and Exchange Commission, Nigeria as Trustees.

- Mrs. Sumbo Akintola (Independent)

Responsibilities of the Fund Manager:

The Investments and Securities Act, 2025 requires the Fund Manager to keep proper books of account and prepare annual financial statements which give a true and fair view of the state of affairs of the unit trust scheme during the period covered by the financial statements.

In our opinion, the Fund Manager has in preparing the financial statements:

- selected suitable accounting policies and applied them consistently;
- made judgments and estimates that were reasonable and prudent;
- ensured that the applicable accounting standards have been followed, and
- prepared the financial statements on a going concern basis; since it was appropriate to assume that the Fund shall continue to exist in the foreseeable future.

The Fund Manager is also responsible for maintaining adequate financial resources to meet its commitments and to manage the risks to which the Fund is exposed.

Responsibilities of the Trustee:

The responsibilities of the Trustee as provided by Securities and Exchange Commission's Rules and Regulations made pursuant to the Investments and Securities Act, 2025 are as stated below:

- Monitoring of the activities of the Fund Manager and the custodian on behalf of and in the interest of the Unitholders';
- Ensuring that the Custodian takes into custody all of the scheme's assets and holds it in trust for the holders in accordance with the Trust Deed and the Custodial Agreement;
- Monitoring the register of Unitholders' or contributors;
- Ascertaining the Fund Manager's compliance with the Applicable Regulations;
- Ascertaining that the monthly and other periodic returns/reports relating to the Fund are sent by the Fund Manager to the Commission;
- Taking all steps and executing all documents which are necessary to secure acquisitions or disposals properly made by the Fund Manager in accordance with the Trust Deed and Custodial Agreement;
- Exercising any right of voting conferred on it as the registered holder of any investment and/or forward to the fund manager within a reasonable time all notices of meetings, reports, circulars, proxy solicitations and any other document of a like nature for necessary action;
- Ensuring that fees and expenses of the fund is within the prescribed limits; and
- Acting at all times in the interest and for the benefit of Unitholders' of the scheme.

Administration of the Fund:

The Fund was administered in accordance with the Applicable Regulations, taking into cognisance the prevailing market conditions as well as the goal of preserving and minimising possible losses to Unitholders funds.

Charitable donations:

The Fund did not make any charitable donations during the year.

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Auditors:

KPMG, having indicated their willingness to continue in office, shall do so in accordance with Section 169(1) of the Investments and Securities Act, 2025.

By Order of the Trustees

A handwritten signature in black ink, appearing to read 'Emi Agaba-Oloja'.

Emi Agaba-Oloja
FRC/2025/PRO/DIR/003/210790
Chief Executive
Stanbic IBTC Trustees Limited
Lagos, Nigeria

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**CHAPEL HILL DENHAM MANAGEMENT LIMITED
NIGERIA REAL ESTATE INVESTMENT TRUST
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

FUND MANAGER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Introduction

The Chapel Hill Denham Nigeria Real Estate Investment Trust ("NREIT" or the "Fund") and its subsidiary entities (together the "Group") is a real estate investment trust registered with the Securities & Exchange Commission ("SEC" or the "Commission"), with the objective of providing its unitholders with regular and stable income through the acquisition of Shariah compliant income producing commercial real estate assets in Nigeria.

NREIT was established as a unit trust on 27 July 2020 and commenced operations on 23 November 2020. The Fund listed on Nigerian Exchange Limited on 31 December 2025.

The Group seeks to build a diversified portfolio of Shariah compliant, commercial, income producing assets in Nigeria, underpinned by contractual tenancy agreements that provide attractive returns to investors through a combination of annual income distributed to unitholders and capital appreciation of assets within the portfolio.

Summary of operations

During the 12 months ended 31 December 2025, the Group made two acquisitions totalling ₦135 billion. NREIT acquired a corporate residential estate located in Maitama, Abuja, for ₦124 billion in October 2025. The estate comprises 119 units and is primarily occupied by diplomats and blue-chip corporates, ensuring stable occupancy and a high-quality tenant mix. Thereafter, in December 2025, the Group acquired an additional industrial warehouse asset in the Lagos Free Zone for ₦11 billion.

These acquisitions are in line with NREIT's mandate of maintaining a diversified portfolio of sustainable, income-generating real estate assets.

Real estate market summary

The Nigerian economy demonstrated continued resilience in 2025, supported by a stabilisation of the Naira following monetary policy reforms and a meaningful moderation of inflation from the elevated levels recorded in the prior year. Moreover, the real estate sector consolidated its position as a key driver of non-oil GDP growth.

In the office sector, leasing activity remained robust during the year in core cities. Within this landscape, Eko Atlantic City continued to consolidate its emergence as a credible new business district, attracting major corporate relocations. The office development pipeline remains active in core cities, with a significant volume of new prime office space expected to be delivered across Lagos before the end of 2027, reinforcing the long-term attractiveness of the market for investors and occupiers.

The logistics and industrial real estate sector sustained its strong momentum through 2025, buoyed by the continued expansion of e-commerce, the operational ramp-up of the Lekki Deep

Sea Port, and growing interest from global manufacturers seeking asset-light entry points into West Africa's large consumer market. Free zone infrastructure continued to attract both local and international operators, with demand for modern, institutionally managed industrial stock remaining robust.

The corporate residential sector remained strong in good locations in Lagos and Abuja, with continued demand for high-quality offerings that provide strong security and amenities in these cities.

Looking ahead, Nigeria's real estate sector is well-positioned for sustained growth. Rapid urbanisation, a young and growing population, and ongoing infrastructure development across sectors continues to underpin structural long-term demand. As the macroeconomic environment stabilises further, we expect investor appetite to increase across the office, industrial, and corporate residential segments, with high-quality, income-producing assets continuing to attract the strongest interest.

Outlook

NREIT is strategically targeting the acquisition of additional high-quality assets that meet the Group's requirements. There continue to be attractive opportunities across the office, corporate residential, industrial and other specialty sectors in Nigeria. The Group has identified a strong pipeline of near-term investment opportunities to potentially add to its portfolio.

Portfolio overview

Sector	Description	Acquisition price	Valuation
Industrial	4 industrial facilities in the Lagos Free Zone	₦43.3bn	₦50.3bn
Corporate residential	A premium residential estate consisting of 119 units buildings and apartments located in Maitama, Abuja	₦123.8bn	₦137.1bn

Financial overview

During the period, the Group's total income was ₦27.6 billion. The net income for the period, after meeting the Group's expenses, was ₦25.1 billion.

As at 31 December 2025, the Net Asset Value of the Group stood at ₦182.9 billion, represented by 1,588,617,222 units. Accordingly, the Net Asset Value per Unit of the Group as at 31 December 2025 was ₦115.16.

Future pipeline

The prospects for the Fund remain attractive for long-term capital. We continue to believe that a large, diversified vehicle will deliver attractive risk adjusted returns to NREIT's investors. The Fund Manager is in various stages of discussions and negotiations on additional investments for the Group and is tracking a pipeline of projects which are expected to materialize during the next 12 - 24 months.



KEMI AWODEIN
DIRECTOR



BOLAJI BALOGUN
MANAGING DIRECTOR

This report is dated 30 March 2026.

**CHAPEL HILL DENHAM MANAGEMENT LIMITED
NIGERIA REAL ESTATE INVESTMENT TRUST
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

STATEMENT OF THE FUND MANAGER'S RESPONSIBILITIES

The Fund Manager shall have the following duties:

- a) Selection and management of the portfolio of assets in accordance with the Group's Trust Deed.
- b) Preparing periodic accounting records of the Group in accordance with the Investment and Securities Act and the applicable rules issued by the Commission from time-to-time.
- c) Keeping of books of accounts for the Group.
- d) Appointment of the Property Manager.
- e) Filing monthly and other periodic returns /reports with the Commission such as the quarterly report on the performance of the Group, the Trustee, the Registrar and the Unitholders.
- f) Organizing the Meetings of the Group.
- g) Representing the interest of the Group in both the national and the global market.
- h) Complying with the Investments and Securities Act, and the Group's Trust Deed.
- i) Avoiding conflicts of interest between the Manager and the Group.
- j) Disclosing the interests of its directors and management in the Group to the Unitholders.
- k) Ensuring that adequate financial resources are available to meet the Group's financial obligations.
- l) Organising and controlling the Group in a reasonable and responsible manner expected of a manager.
- m) Keeping proper records in relation to the Group.
- n) Employing adequately trained staff and ensuring that they are properly supervised.
- o) Insuring the underlying assets of the Group.
- p) Establishing well defined compliance procedures and risk management policies; and
- q) Displaying the Group's annual reports on its website and promoting investor education.



BOLAJI BALOGUN
MANAGING DIRECTOR

This report is dated 30 March 2026

Directors: Adesoji Adelaja - Chairman | Sumbo Akintola - Independent
Kemi Awodein | Philip Southwell | Mobolaji Balogun - Managing

Chapel Hill Denham Management Limited RC No: 250656

Chapel Hill Denham Management is registered and regulated by the Securities and Exchange Commission, Nigeria as a Fund Manager

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**SHARIAH REPORT OF LOTUS FINANCIAL SERVICES LIMITED ON THE
NIGERIA REAL ESTATE INVESTMENT TRUST**

Shariah Report for the 12 months ending December 31, 2025

In the name of Allah, the Most Beneficent, the Most Merciful.

To the unitholders of the Nigeria Real Estate Investment Trust (“the NREIT”)

Lotus Financial Services Limited acted as the Shariah Adviser to the NREIT managed by Chapel Hill Denham Management Limited (“the Fund Manager”) during the financial year ending December 31, 2025. We have reviewed the accounts of the NREIT for the period under review provided to us by the Fund Manager. The principal objective of the NREIT is to provide investors with the opportunity to invest in a professionally managed portfolio of real estate and real estate-related assets, through investing in a diverse portfolio of income-generating real estate assets or real estate-related assets.

The Fund Manager is responsible for ensuring that the NREIT is invested and managed in accordance with the provisions of the Trust Deed, the Shariah Guidelines approved by the Shariah Adviser, and Shariah principles generally. The role of Lotus Financial Services Limited as the Shariah Adviser to the NREIT is to form an independent view on the compliance of the NREIT with Shariah principles in the investment and management of the NREIT.

We have received a confirmation from the Fund Manager that (a) the activities of NREIT complied with Shariah principles as approved by us; and (b) the Fund did not receive any interest income or engage in any non-compliant investment during the period under review. The Fund Manager has assumed the responsibility to pay any non-permissible income of the Fund to charity.

Based on our review of the accounts and the representation of the Fund Manager, in our opinion, the investments made by the Fund Manager during the period under review were generally in compliance with Shariah rules and principles. And Allah knows best.

Dated March 30, 2026



**Lotus Financial Services Limited
Shariah Adviser to the Nigeria Real Estate Investment Trust**

Chapel Hill Denham Management Limited
NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
FOR THE YEAR ENDED 31 DECEMBER 2025

Certification of management's assessment on internal control over financial reporting

To comply with the assessment requirements of the FRC Guidance on Management Report on Internal Control Over Financial Reporting issued by the Financial Reporting Council of Nigeria, I hereby make the following statements regarding the internal control over financial reporting of Chapel Hill Denham Nigeria Real Estate Investment Trust ("CHDNREIT" or the "Fund") for the year ended 31 December 2025

I, **Abidemi Oni**, certify that:

- a) I have reviewed this Management assessment on internal control over financial reporting of Chapel Hill Denham Nigeria Real Estate Investment Trust ("CHDNREIT" or the "Fund");
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on my knowledge, the financial statements, and other financial information included in this report, present in all material respects the financial condition, results of operations and cash flows of the Fund as of, and for, the periods presented in this report;
- d) The Fund's other certifying officer and I:
 - i. are responsible for establishing and maintaining internal controls;
 - ii. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Fund, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - iii. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - iv. have evaluated the effectiveness of the Fund's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) The other certifying officer and I have disclosed, based on our most recent evaluation of the internal control system, to the Fund's auditor:
 - i. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Fund's ability to record, process, summarize and report financial information; and
 - ii. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Fund's internal control system.
- f) The Fund's other certifying officer(s) and I have identified in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to control and significant deficiencies



Abidemi Oni
Chief Finance Officer
FRC No: FRC/2014/ICAN/0000007140
31st March 2026

Chapel Hill Denham Management Limited
NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
FOR THE YEAR ENDED 31 DECEMBER 2025

Management's Annual Assessment of, and Report on, Chapel Hill Denham Nigeria Real Estate Investment Trusts' Internal Control over Financial Reporting

To comply with the assessment requirements of the FRC Guidance on Management Report on Internal Control Over Financial Reporting issued by the Financial Reporting Council of Nigeria, I hereby make the following statements regarding the internal control over financial reporting of Chapel Hill Denham Nigeria Real Estate Investment Trust ("CHDNREIT" or the "Fund") for the year ended 31 December 2025.

I, **Bolaji Balogun**, certify that:

- a) I have reviewed this Management assessment on internal control over financial reporting of Chapel Hill Denham Nigeria Real Estate Investment Trust ("CHDNREIT" or the "Fund");
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Fund as of, and for, the periods presented in this report;
- d) The Fund's other certifying officer and I:
 - i. are responsible for establishing and maintaining internal controls;
 - ii. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Fund, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - iii. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - iv. have evaluated the effectiveness of the Fund's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) The other certifying officer and I have disclosed, based on our most recent evaluation of the internal control system, to the Fund's auditor:
 - i. All control deficiencies and significant deficiencies in the design or operation of the internal control system which are reasonably likely to adversely affect the Fund's ability to record, process, summarize and report financial information; and;
 - ii. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Fund's internal control system.
- f) The Fund's other certifying officer(s) and I have identified in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to control and significant deficiencies.



Bolaji Balogun
Managing Director / CIO
FRC/2013/CISN/000000494540
31st March 2026

Chapel Hill Denham Management Limited
NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
FOR THE YEAR ENDED 31 DECEMBER 2025

Management's Annual Assessment of, and Report on, Chapel Hill Denham Nigeria Real Estate Investment Trusts' Internal Control over Financial Reporting

To comply with the assessment requirements of the FRC Guidance on Management Report on Internal Control Over Financial Reporting issued by the Financial Reporting Council of Nigeria and the Investments and Securities Act (ISA) 2007, we hereby make the following statements regarding the Internal Controls of Chapel Hill Denham Nigeria Real Estate Investment Trust ("CHDNREIT" or the "Fund") for the year ended 31 December 2025:

- 1 Chapel Hill Denham Management Limited Nigeria Real Estate Investment Trust's management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.
- 2 Chapel Hill Denham Nigeria Real Estate Investment Trusts' management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the Fund's ICFR;
- 3 Chapel Hill Denham Nigeria Real Estate Investment Trust's management has assessed that the Fund's ICFR as of the end of 31 December 2025 is effective;
- 4 Chapel Hill Denham Nigeria Real Estate Investment Trust's external auditor (Messrs. KPMG Professional Services) has issued an attestation report on management's assessment of the Fund's internal control over financial reporting.

The attestation report of Messrs. KPMG Professional Services that audited the Fund's financial statements will be filed as part of the Fund's audited financial statements.



Mr. Bolaji Balogun

Managing Director / CIO

FRC/2013/CISN/0000000494540



Mr. Abidemi Oni

Chief Finance Officer

FRC/2014/ICAN/00000007140



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Independent Auditor's Limited Assurance Report

To the Unitholders of Nigeria Real Estate Investment Trust

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of Nigeria Real Estate Investment Trust and its subsidiaries (together "the Group") as of 31 December 2025 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Financial Reporting Council of Nigeria Guidance on Management Report on

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Group' internal control over financial reporting as of 31 December 2025 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

KPMG Professional Services, a partnership registered in Nigeria and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registered in Nigeria No BN 988925

A list of partners is available for inspection at the firm's address.



Other matter

We have audited the consolidated and separate financial statements of Nigeria Real Estate Investment Trust in accordance with the International Standards on Auditing, and our report dated 30 March 2026 expressed an unmodified opinion of those consolidated and separate financial statements.

Our conclusion is not modified in respect of this matter.

Responsibilities for Internal Control over Financial Reporting

The Fund Manager of Nigeria Real Estate Investment Trust is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying management's report on the effectiveness of internal control over financial reporting. Our responsibility is to express a conclusion on the Group's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on *the Group's* internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any valuation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

A handwritten signature in black ink, appearing to read 'Elijah Oladunmoye', written in a cursive style.

Elijah Oladunmoye, FCA
FRC/2013/PRO/ICAN/004/00000019769
For: KPMG Professional Services
Chartered Accountants
30 March 2026
Lagos, Nigeria



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INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Chapel Hill Denham Nigeria Real Estate Investment Trust

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Chapel Hill Denham Nigeria Real Estate Investment Trust ("the Fund") and its subsidiaries (together, "the Group"), which comprise:

- the consolidated and separate statements of financial position as at 31 December 2025;
- the consolidated and separate statements of profit or loss and other comprehensive income;
- the consolidated and separate statements of changes in net assets attributable to unitholders;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Fund and its subsidiary as at 31 December 2025, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Financial Reporting Council of Nigeria Act, 2011 (as amended).

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 consolidated and separate Financial Statements* section of our report. We are independent of the Group and Fund in accordance with International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.



Other Information

The Fund Manager and the Trustees are responsible for the other information. The other information comprises the Management and professional advisors, Trustee's report, Fund Manager's report, Statement of Fund Manager's responsibilities report in relation to the consolidated and separate financial statements, Sharia Adviser's report, Management Certification of Internal Control over Financial Reporting, Consolidated and separate value added statement, and Other National Disclosures, but does not include the consolidated and separate financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 Fund Manager for the Consolidated and Separate Financial Statements

The Fund Manager is responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS® Accounting Standards and in the manner required by the Financial Reporting Council of Nigeria Act, 2011 (as amended) and for such internal control as the Fund Manager 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 consolidated and separate financial statements, the Fund Manager is responsible for assessing the Group (and Fund)'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 Fund Manager either intend to liquidate the Group and Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group (and Fund)'s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund Manager.



- Conclude on the appropriateness of Fund Manager’s 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 Group and Fund’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 consolidated and separate 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 and Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Fund Manager 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 of the Fund Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to 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.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management’s assessment of the Fund’s internal control over financial reporting as of December 31, 2025. The work performed was done in accordance with ISAE 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an *unmodified conclusion* in our report dated 30 March 2026. *That report is included on page 15 of the consolidated and separate financial statement.*

Signed:

Elijah Oladunmoye, FCA
FRC/2023/PRO/ICAN/004/00000019769
For: KPMG Professional Services
Chartered Accountants
30 March 2026
Lagos, Nigeria



**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

	Notes	31-Dec-25 GROUP N'000	31-Dec-24 GROUP N'000	31-Dec-25 FUND N'000	31-Dec-24 FUND N'000
Assets					
Cash and cash equivalents	11	3,831,367	5,417,123	1,220,328	3,487,587
Investment property	12	187,430,100	35,000,000	-	-
Investment in subsidiary	13	-	-	167,055,660	31,950,000
Other receivables	14	5,747,018	19,099,015	12,888	19,099,016
Total assets		197,008,485	59,516,138	168,288,876	54,536,603
Liabilities					
Other payables	15	11,065,798	1,639,914	5,167,689	605,210
Distribution payable	16	2,996,936	692,048	598,726	-
Total liabilities		14,062,734	2,331,962	5,766,415	605,210
Net assets		182,945,751	57,184,176	162,522,461	53,931,393
Capital and reserves					
Member's funds	17	161,174,810	53,620,098	161,174,810	53,620,098
Revaluation Reserve	20	-	3,050,000	-	-
Retained earnings	17	21,770,941	514,078	1,347,651	311,295
Net assets attributable to unitholders		182,945,751	57,184,176	162,522,461	53,931,393
Number of units ('000)	17	1,588,617	530,648	1,588,617	530,648
NAV per unit (naira per unit)		115.16	107.76	102.30	101.63

The accompanying notes are integral part of these consolidated and separate financial statements.

These consolidated and separate financial statements were prepared by the Fund Manager and approved by the Trustees of the Fund on 30 March 2026 and signed on behalf of the Fund Manager by the directors listed below:



Mrs. Kemi Awodein
Director
FRC/2022/PRO/NBA/003/609040



Mr. Bolaji Balogun
Managing Director
FRC/2013/CISN/00000004945

Additionally certified by :



Mr. Abidemi Oni
Chief Financial Officer
FRC/2014/ICAN/00000007140

NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

		31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
		GROUP	GROUP	FUND	FUND
	Notes	N'000	N'000	N'000	N'000
Income					
Profit share on Mudaraba transaction	8	5,875,268	2,067,451	5,588,881	2,018,708
Revaluation gain on Investment Property	8	17,324,440	-	-	-
Rental and other operating income	8	4,431,688	1,612,601	-	-
		27,631,396	3,680,052	5,588,881	2,018,708
Other Income	9	156	39,703	156	-
Profit from disposal of subsidiary		-	21,442	-	295,486
Dividend Income	9	-	307,585	-	307,585
Gross Income		27,631,552	4,048,782	5,589,037	2,621,779
Expense					
Operating expenses	10	(2,565,075)	(932,815)	(1,992,482)	(930,094)
Total Expense		(2,565,075)	(932,815)	(1,992,482)	(930,094)
Profit before tax		25,066,477	3,115,967	3,596,555	1,691,685
Income tax expense		-	-	-	-
Profit after tax		25,066,477	3,115,967	3,596,555	1,691,685
Other comprehensive income	12	-	3,050,000	-	-
Total comprehensive income for the period		25,066,477	6,165,967	3,596,555	1,691,685
Profit attributable to:					
Unitholders of the Fund		25,066,477	3,115,967	3,596,555	1,691,685
Non-controlling interest		-	-	-	-
		25,066,477	3,115,967	3,596,555	1,691,685
Total comprehensive income attributable to:					
Owners of the Fund		25,066,477	6,165,967	3,596,555	1,691,685
Non-controlling interest		-	-	-	-
		25,066,477	6,165,967	3,596,555	1,691,685

The accompanying notes are integral part of these consolidated and separate financial statements.

NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN NET ASSET ATTRIBUTABLE TO
UNITHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unitholder's Contribution	GROUP Retained Earnings	Revaluation Reserve	Total Equity
		N'000	N'000	N'000	N'000
Balance as at 1 January 2025		53,620,098	514,078	3,050,000	57,184,176
Total comprehensive income					
Fair Value Gain					
Profit for the Year		-	25,066,477	-	25,066,477
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		53,620,098	25,580,555	3,050,000	82,250,653
Transactions with owners, recorded directly to equity:					
Subscriptions during the year	17	107,554,712	-	-	107,554,712
Distribution to unitholders	16	-	(6,859,614)	-	(6,859,614)
Transfers from statutory reserve		-	3,050,000	(3,050,000)	-
Total contribution and distribution to unitholders		107,554,712	(3,809,614)	(3,050,000)	100,695,098
Balance as at 31 December 2025		161,174,810	21,770,941	-	182,945,751

	Note	Unitholder's Contribution	GROUP Retained Earnings	Revaluation Reserve	Total Equity
		N'000	N'000	N'000	N'000
Balance as at 1 January 2024		53,620,098	210,405	-	53,830,503
Total comprehensive income					
Fair Value Gain				3,050,000	3,050,000
Profit for the Year		-	3,115,967	-	3,115,967
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		53,620,098	3,326,372	3,050,000	56,946,470
Transactions with owners, recorded directly to equity:					
Subscriptions during the year	17	-	-	-	-
Distribution to unitholders	16	-	(2,812,294)	-	(2,812,294)
Total contribution and distribution to unitholders		-	(2,812,294)	-	(2,812,294)
Balance as at 31 December 2024		53,620,098	514,078	3,050,000	57,184,176

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN NET ASSET ATTRIBUTABLE TO
UNITHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Note	Unitholder's Contribution N'000	FUND Retained Earnings N'000	Total Equity N'000
Balance as at 1 January 2025		53,620,098	311,296	53,931,394
Total comprehensive income				
Profit for the Year		-	3,596,555	3,596,555
Other comprehensive income		-	-	-
Total comprehensive income for the year		53,620,098	3,907,851	57,527,949
Transactions with owners, recorded directly to equity:				
Subscriptions during the year	17	107,554,712	-	107,554,712
Distribution to unitholders	16	-	(2,560,200)	(2,560,200)
Total contribution and distribution to unitholders		107,554,712	(2,560,200)	104,994,512
Balance as at 31 December 2025		161,174,810	1,347,651	162,522,461

	Note	Unitholder's Contribution N'000	FUND Retained Earnings N'000	Total Equity N'000
Balance as at 1 January 2024		53,620,098	(185,306)	53,434,793
Total comprehensive income				
Profit for the Year		-	1,691,685	1,691,685
Other comprehensive income		-	-	-
Total comprehensive income for the year		53,620,098	1,506,379	55,126,478
Transactions with owners, recorded directly to equity:				
Subscriptions during the year	17	-	-	-
Distribution to unitholders	16	-	(1,195,084)	(1,195,084)
Total contribution and distribution to unitholders		-	(1,195,084)	(1,195,084)
Balance as at 31 December 2024		53,620,098	311,296	53,931,394

The accompanying notes are integral part of these consolidated and separate financial statements.

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025**

		31-Dec-25 GROUP	31-Dec-24 GROUP	31-Dec-25 FUND	31-Dec-24 FUND
	Notes	N'000	N'000	N'000	N'000
Cash flow from operating activities					
Profit before income tax		25,066,477	3,115,967	3,596,555	1,691,685
		25,066,477	3,115,967	3,596,555	1,691,685
Impact of tax charge for the year	13	-	(27,409)	-	-
Adjustment for:					
Gain on revaluation	8	(17,324,440)	-	-	-
Gain on disposal of PBSA	13	-	(9,468)	-	(295,486)
Changes in:					
Other payables	20(a)	9,425,884	681,888	4,562,480	(129,244)
Distribution payable	20(b)	2,304,888	(106,990)	598,726	(799,038)
Other Receivable	20(c)	13,351,997	(309,399)	19,086,128	(307,586)
		32,824,806	3,344,589	27,843,889	160,331
Tax paid		-	-	-	-
Net cash flow generated from operating activities		32,824,806	3,344,589	27,843,889	160,331
Cash flow from investing activities					
Acquisition of investment property	20(e)	(135,105,660)	(31,950,000)	-	-
Proceeds from disposal of subsidiaries	13(c)	-	-	-	950,000
Acquisition of subsidiary	20(d)	-	-	(135,105,660)	(31,950,000)
Net cash flow used in investing activities		(135,105,660)	(31,950,000)	(135,105,660)	(31,000,000)
Cash flow from financing activities					
Proceeds from issue of units	17	107,554,712	-	107,554,712	-
Distributions paid to Unitholders	16	(6,859,614)	(2,812,294)	(2,560,200)	(1,195,084)
Proceeds from disposal of investment properties	13	-	950,000	-	-
Net cash flow (used in) / generated from financing activities		100,695,098	(33,812,294)	104,994,512	(1,195,084)
Changes in cash and cash equivalents		(1,585,756)	(30,467,705)	(2,267,259)	(32,044,416)
Cash and cash equivalents at the beginning of the year		5,417,123	35,884,828	3,487,587	35,532,003
Cash and cash equivalents at the end of the year	11	3,831,367	5,417,123	1,220,328	3,487,587

The accompanying notes are integral part of these consolidated and separate financial statements.

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

1 Reporting Entity

The Nigeria Real Estate Investment Trust is a Unit trust domiciled in Nigeria. The Fund's principal office is 10 Bankole Oki Street, Ikoyi Lagos. The Fund commenced operations on 23 November 2020, and is registered with the Securities and Exchange Commission, Nigeria under the Investment and Securities Act 2007 and the relevant rules and regulations. The Fund invests in shariah compliant, income producing real estate assets and the business is located in Nigeria.

The investment activities of the Fund are managed by Chapel Hill Denham Management Limited (the "Fund Manager") who acts as the Manager of the Fund, under the terms of the Trust deed dated 24 January 2025. The Fund commenced operations on 23 November 2020. The Chapel Hill Denham Nigeria Real Estate Investment Trust ("NREIT" or the "Fund") is a Fund registered with the Securities and Exchange Commission, Nigeria under the Investment and Securities Act 2007 and the relevant rules and regulations.

The primary objective of the Group is to invest in and develop the real estate sector of the economy and provide a shareholders with above-average returns over the medium to long term.

The Fund acquired Standard Industrial Facility I, II and III using a Special Purpose Vehicle ("SPV") called NREIT LFZ Enterprise on the 31 May 2024 - these are properties currently used for industrial activities with its location zoned for industrial use within the Ibeju-Lekki local government Area, and also acquired Warehouse II under the same Special Purpose Vehicle ("SPV") called NREIT LFZ Enterprise in December 2025.

The Fund acquired commercial real estate assets using through the acquisition of a business name called Imani-Shell Trustees Joint Venture for the Imani Estate (NREIT Imani), and using a Special Purpose Vehicle (SPV) called A.B.J. Real Estate SPV Limited (NREIT Madeira) to acquire the Madeira Estate on the 27 October 2025. The principal activity of the entities is the ownership, leasing and management of income-generating properties occupied by tenants.

2

Basis of preparation

The consolidated and separate financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS), Financial Reporting Council of Nigeria Act, 2011 and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The consolidated and separate financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). They were authorized for issue by the Fund's Manager on the 31 March, 2026.

3

Material accounting policies

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

(a) Functional and presentation currency

Items included in the consolidated and separate financial statements of the Group are measured in the currency of the primary economic environment in which the Group operates. The primary objective of the Group is to generate returns in Naira, its reporting currency. The Group's performance is evaluated in Naira. Therefore, the Fund Manager considers Naira as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and has adopted it as the Group's presentation currency.

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

3 Material accounting policies - continued

(b) Basis of measurement

These consolidated and separate financial statements have been prepared on the historical cost basis. The Group applies the accrual method of accounting where all income is recognized when earned and all expenses recognized once incurred.

(c) Segmental information

For management purposes, the Fund is organized as one main operating segment. All of the Fund's activities are interrelated and each activity is dependent on the others. The Fund Manager's asset allocation decisions are based on a single, integrated investment strategy, and the Fund's performance is evaluated on an overall basis.

Accordingly, all significant operating decisions are based upon analysis of the Fund as one unit. The financial results from this unit are equivalent to the consolidated and separate financial statements of the Group as a whole.

(d) Use of estimates and judgments

The preparation of the consolidated and separate financial statement in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Information about significant areas of estimation, uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in note '6.2 (b) to the financial statements.

(e) Basis of consolidation and goodwill

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group in determining whether a particular set of activities and assets is a business the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The consolidation of the financial statements is in line with IFRS 3.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss". Management performed the IFRS 3 assessment for all current-year acquisitions and concluded that each transaction meets the definition of a business combination.

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

3 Material accounting policies - continued

(f) Gain on bargain purchased

Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

(g) Subsidiary

'Subsidiaries' are entities controlled by the Group. The Group 'controls' an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Group having power over an investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies. Accounting policies of the subsidiaries have been changed where necessary to reflect the accounting policies of the Group.

(h) Initial measurement of non-controlling interests

The Group elects on each acquisition to initially measure NCI on the acquisition date at either fair value or at the NCI's proportionate share of the investees' identifiable net assets.

(i) Subsequent measurement of non-controlling interests

Whichever choice is made as regards the initial measurement of non-controlling interests, the amount initially recognized when accounting for the business combination is subsequently adjusted by the non-controlling interests' share of changes in equity from the date of the combination.

(j) Loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. If the Group loses control over a subsidiary, it;

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interest
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in the statement of profit or loss

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

3 Material accounting policies - continued

(k) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The CGU is the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or Groups of assets.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

Impairment losses relating to goodwill cannot be reversed in future periods.

4 Changes in accounting policies and disclosures

i. New standards , amendment, interpretations adopted by the Group

A number of new IFRS Accounting Standards, Amendments to IFRS Accounting Standards, and Interpretations are effective for annual periods beginning after 1 January 2024 and have not been applied in preparing these consolidated and separate financial statements. Those IFRS Accounting Standards, amendments to IFRS Accounting Standards and Interpretations which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

The following new and amended accounting standards are not expected to have a significant impact on the Group's consolidated financial statements.

- (a) Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- (b) Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
- (c) Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7
- (d) Lack of exchangeability – Amendments to IAS 21
- (e) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENT
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Material accounting policies - continued

5.1 Financial assets

Financial assets and liabilities

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

These includes purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) which are recognized on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

The Group's financial assets include cash and bank deposits, investment with Non Interest financial institutions and RMB Nigeria Asset Management , and other receivables.

At initial recognition, the Fund Manager 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, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognized for financial assets measured at amortized cost and investments in debt instruments measured at FVOCI to the extent that they do not represent cash and cash equivalents.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the Fund recognizes the difference as follows:

- (a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.
- (b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortized over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

Classification and measurement

The Group classifies its debt financial assets into the following measurement categories:

- Fair Value through Profit or Loss (FVPL)
- Amortized Cost

Business model assessment

Business model assessment involves determining whether financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both.

The Fund Manager assesses business model at a portfolio level reflective of how groups of assets are managed together to achieve a particular business objective. For the assessment of business model the Fund takes into consideration the following factors:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual non-interest income, maintaining a particular non-interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are Funding those assets or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how Managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and

– the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realized."

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
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Material accounting policies - continued

5.1 Financial assets - Continued

The Fund Manager determines the classification of the financial instruments at initial recognition. The business model assessment falls under three categories:

- i) Financial assets held with the sole objective to collect contractual cash flows;
- ii) Financial assets held with the objective of both collecting contractual cash flows and selling; and
- iii) Financial assets held with neither of the objectives mentioned in the two categories above. These are basically financial assets held with the sole objective to trade and to realize fair value changes.

Financial assets held with the sole objective to collect contractual cash flows is applicable to the Group.

Cash flow characteristics

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Fund Manager assesses whether the financial instruments' cash flows represent solely payments of principal and income (the 'SPPI test'). In making this assessment, the Fund Manager considers whether the contractual cash flows are consistent with a basic lending arrangement, 'Principal' is defined as the fair value of the financial asset on initial recognition.

The Fund Manager reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

Impairment methodology

The Fund Manager assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instrument assets carried at amortized cost and fair value through other comprehensive income and with the exposure arising from loan commitments and financial guarantee contracts. IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarized below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Fund Manager.
- A financial instrument with significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.
- A financial instrument which is credit-impaired, the financial instrument is then moved to 'Stage 3'.

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Material accounting policies - continued

5.1 Financial assets - Continued

Impairment

The Group applies the simplified approach permitted under IFRS 9 for trade receivables, measuring lifetime expected credit losses for all receivables.

ECL Methodology

The Company uses a provision matrix based on historical default experience, adjusted for forward-looking information. Historical loss rates are derived from the Group's actual credit loss experience on an annual basis. Receivables are grouped by customer type, ageing bracket, and shared credit risk characteristics.

Historical Data Period

The loss rates presented (0%, 0%, 1%, 19%) are derived from historical write-off trends observed in prior years. During the period, the Group recorded minimal credit losses, resulting in low loss rates in the current matrix.

Forward-Looking Adjustments

The provision matrix incorporates forward-looking information, including:

- macroeconomic indicators (such as inflation and GDP trends),
- customer-specific credit risk factors, and
- expected economic conditions for the following 12 months.

Based on this analysis, no material forward-looking adjustments were required for the year.

<u>Age bucket</u>	<u>Loss rate</u>
0- 30 days	0%
31- 60 days	0%
61- 180 days	1%
Above 180 days	19%

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward looking information.
- Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognized when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Fund transfers substantially all the risks and rewards of ownership, or (ii) the Fund neither transfers nor retains substantially all the risks and rewards of ownership and the company has not retained control.

Write-offs

Financial assets are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Fund determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

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Material accounting policies - continued

5.2 Financial liabilities

a) Classification

Financial liabilities are classified as financial liabilities at amortized cost. The Group has no financial liabilities in any other category. The Fund Manager determines the classification of financial liabilities at initial recognition.

b) Financial liabilities at amortized cost

These include other payables and accrued expenses. Others payables and accrued expenses are classified as current liabilities due to their short term nature.

c) Recognition & subsequent measurement

Financial liabilities are recognized initially at fair value, net of any transaction costs. Subsequently, they are measured at amortized cost using the effective interest method equivalent method.

d) Derecognition

(i) Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial 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 in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets, in these cases, the transferred assets are not derecognized.

(ii) Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes 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 recognized 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 recognized in profit or loss.

5.3 Revenue recognition

i) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured.

In line with IFRS 15, Revenue from Fund management is recognized over time as the services are provided. Revenue related to transactions is recognized at the point in time when the transaction takes place.

The following specific recognition criteria must also be met before revenue is recognized.

ii) Sharia Compliant - Profit Bearing

Profit earned on the Mudaraba transaction is recognized over the holding period of the investment.

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Material accounting policies - continued

5.4 Cash and cash equivalents

Cash and cash equivalents as shown in the statement of financial position comprise cash in hand or bank, deposit held at call with banks and time deposits which are readily convertible to cash with a maturity of three months or less.

Cash and cash equivalents' include notes and coins on hand, deposits at call with banks and time deposits and highly liquid financial assets with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. Mudaraba transaction are short term investment that is available on demand.

5.5 Other payables

Other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business of the Group. Accounts payable are classified as current liabilities if payment is within one year or less. Otherwise, they are classified as non-current liabilities.

Other payables and accrued expenses are recognized initially at fair value and subsequently stated at amortized cost using the effective interest method equivalent method.

5.6 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

5.7 Distributions payable to Unitholders

Proposed distributions to Unit holders are recognized in the statement of changes in net assets attributable to unitholders when they are appropriately authorized and no longer at the discretion of the Fund Manager. This typically occurs when proposed distribution is approved by the Investment Committee of the Fund.

5.8 Deferred tax

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred 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 or loss.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

5.9 Operating expenses

All operating expenses except offer expenses are charged to the statement of comprehensive income and are accounted for on an accrual basis. Offer expenses are charged to the statement of comprehensive income at the completion of the relevant offer.

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Material accounting policies - continued

5.10 Investment Property

Investment property comprises income generating properties and property under development (land, building, part of building or both), that are held by the Group to generate rental income, generate capital appreciation or both and are not for sale during the ordinary course of business, for the production of goods and services and administrative activities. The initial recognition of Investment property is at cost and this is inclusive of the transaction cost and subsequently at fair value with any change therein recognized in profit or loss within other income.

Investment under construction is also measured at fair value. If the fair value for investment property cannot be determined, however the Group expects that the fair value will be reliably determinable when the construction is completed, it will be measured at cost less impairment, until the fair value becomes reliably determinable or the construction is completed.

Fair value is determined by active market prices, adjusted if necessary for the difference in the nature, location and condition of the asset. If the information is unavailable, the Group will adopt alternative valuation methods, such as recent prices on less active markets. The valuation will form the basis of the carrying amount in the financial statement. Redeveloped properties for continued use or as a result of decline in market activity will be measured using fair value.

Fair value on investment property will reflect the rental income and other assumptions participants would make when pricing under current market conditions.

Subsequent expenditure is capitalized to the carrying amount of the asset only when it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured. Repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Changes in fair value are recognized in the statement of comprehensive income. The fair valuation is carried out by an independent and experienced professional.

Income on the disposal of investment property are recognized in the statement of comprehensive income as net gain/loss on disposal of investment property. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. When the use of a property changes such that it is reclassified as property and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. When the use of a property changes such that it is reclassified as property and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
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Material accounting policies - Continued

5.11 Property and Equipment

i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment. Any gain or loss on disposal of an item of property and equipment is recognised within other income in profit or loss.

ii) Subsequent costs

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

iii) Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and generally recognised in profit or loss.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

The estimated useful lives of assets are as follows:

Furniture and fixtures	5 years
Office equipment	4 years

IAS 16 position on derecognition of PPE :- should be derecognised (removed from PPE) either on disposal or when no future economic benefits are expected from the asset (in other words, it is effectively scrapped). A gain or loss on disposal is recognised as the difference between the disposal proceeds and the carrying value of the asset (using the cost or revaluation model) at the date of disposal. This net gain is included in the income statement – the sales proceeds should not be recognised as revenue.

Where assets are measured using the revaluation model, any remaining balance in the revaluation reserve relating to the asset disposed of is transferred directly to retained earnings. No recycling of this balance into the income statement is permitted.

6 Significant accounting judgements and estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Information about significant areas of estimation, uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are described below.

The preparation of consolidated and separate financial statements in accordance with IFRS requires the Fund Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses recognised in the consolidated and separate financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in the future.

(a) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is presented below:

Measurement of the fair value of financial instruments with significant unobservable inputs.

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6 Significant accounting judgements and estimates - continued

(b) Critical accounting estimates and assumptions

Fair value of instruments not quoted in an active market.

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument. The Fund Manager uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and reduces the uncertainty associated with determination of fair value. Availability of observable market prices and inputs varies depending on the produce and market and is prone to changes based on specific events and general conditions in the financial markets. The models used to determine fair values are validated and periodically reviewed by experienced personnel at the Valuation Agent.

Valuation techniques using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instruments' valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

7 Risk Management Framework

7.1 Capital Risk Management

The Group is wholly funded by contributions from members, comprising the issued units and retained earnings.

The Group may seek to raise additional capital from time to time to the extent that the Fund Manager believes the Group will be able to invest in investment properties in line with the Group's investment policy.

The Group's objective when managing funds is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Group.

The Fund Manager monitors managed funds on the basis of the value of net assets attributable to unitholders.

The Fund will invest in well structured, real estate assets or portfolios in the following sectors and Fund will invest according to the following limits:

Assets	%
Real Estate Assets	75 – 100%
Real Estate Related Assets	0 – 25%
Liquid Assets	0 – 10%

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Material accounting policies - Continued

7.2. Financial risk management

(a) Financial instruments

The table below sets out the classifications of the carrying amounts of the Fund's financial assets and financial liabilities into categories of financial instruments under IFRS 9.

Group	31 December 2025		
	Financial assets		Financial
	Fair value	Amortised	Amortised cost
	through profit or	cost	
	N'000	N'000	N'000
Financial assets			
Cash and cash equivalents	-	3,831,367	-
Other receivables	-	5,731,058	-
Financial liabilities			
Other payables	-	-	11,065,798
Distribution payable	-	-	2,996,936
	-	9,562,425	14,062,734

Group	31 December 2024		
	N'000	N'000	N'000
	Financial assets		
Cash and cash equivalents	-	5,417,123	-
Other receivables	-	19,089,351	-
Financial liabilities			
Other payables	-	-	1,639,914
Distribution payable	-	-	692,048
	-	24,506,474	2,331,962

Fund	31 December 2025		
	Financial assets		Financial
	Fair value	Amortised	liabilities
	through profit or	cost	Amortised cost
	loss		
	N'000	N'000	N'000
Financial assets			
Cash and cash equivalents	-	1,220,328	-
Other receivables	-	3	-
Financial liabilities			
Other payables	-	-	5,167,689
Distribution payable	-	-	598,726
	-	1,220,331	5,766,415

Fund	31 December 2024		
	N'000	N'000	N'000
	Financial assets		
Cash and cash equivalents	-	3,487,587	-
Other receivables		19,089,352	
Financial liabilities			
Other payables	-	-	605,210
	-	22,576,939	605,210

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7.2. Financial risk management - continued

(b) Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as treasury bills and government bonds) are based on quoted market prices at the close of trading on the year end date. The Fund Manager utilizes the last traded market price for both financial assets and financial liabilities. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Fund Manager uses a variety of methods and makes assumptions that are based on market conditions existing at each year end date.

For instruments for which there is no active market, the Fund Manager uses internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry.

The Fund Manager performs a valuation of its investment properties on a monthly basis. The external valuer carries out annual fair valuation of its investment properties for the Fund.

The fair value hierarchy has the following levels:

Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation technique in which all significant inputs are directly or indirectly observable from market data.

In conclusion, this category is for valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.; and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This category includes all assets and liabilities for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the asset or liability's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Fund Manager. The Fund Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

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(b) Fair value estimation - continued

The following table analyses within the fair value hierarchy the Group's assets and liabilities (by class) measured at fair value at 31 December 2025

Group 2025	Level 1	Level 2	Level 3
Financial instruments not measured at fair value	N'000	N'000	N'000
Assets			
Cash and cash equivalents	-	3,831,367	-
Other Receivables	-	5,731,058	-
	-	9,562,425	-
Liabilities			
Other payables	-	11,065,798	-
Distribution payable	-	2,996,936	-
	-	14,062,734	-
Group 2024			
Financial instruments not measured at fair value	Level 1	Level 2	Level 3
Assets	N'000	N'000	N'000
Cash and cash equivalents	-	5,417,123	-
Other Receivables	-	19,089,351	-
	-	24,506,474	-
Liabilities			
Other payables	-	1,639,914	-
Distribution payable	-	692,048	-
	-	2,331,962	-
Fund 2025			
Financial instruments not measured at fair value	Level 1	Level 2	Level 3
Assets	N'000	N'000	N'000
Cash and cash equivalents	-	1,220,328	-
Other Receivables	-	3	-
	-	1,220,331	-
Liabilities			
Other payables	-	5,167,689	-
Distribution payable	-	598,726	-
	-	5,766,415	-
Fund 2024			
Financial instruments not measured at fair value	Level 1	Level 2	Level 3
Assets	N'000	N'000	N'000
Cash and cash equivalents	-	3,487,587	-
Other Receivables	-	19,089,352	-
	-	22,576,939	22,576,939
Liabilities			
Other payables	-	605,209	-
Distribution payable	-	-	-
	-	-	-

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(b) Fair value estimation - continued

Group 2025	Level 1	Level 2	Level 3
Financial instruments measured at	N'000	N'000	N'000
fair value			
Assets			
Investment Properties	-	-	187,430,100
	-	-	187,430,100
Group 2024	Level 1	Level 2	Level 3
Financial instruments measured at	N'000	N'000	N'000
Assets			
Investment Properties	-	-	35,000,000
	-	-	35,000,000
	-	-	35,000,000

(c) Fair Value Measurement of Investment Properties

Investment properties are measured at fair value and are classified within Level 3 of the fair value hierarchy, as their valuation relies on significant unobservable inputs. Fair values are determined using the income capitalisation approach, which applies discounted future rental cash flows and terminal values. Key unobservable inputs include capitalisation rates, discount rates, expected rental values, occupancy assumptions and operating cost estimates. Fair value is sensitive to movements in these inputs; increases in capitalisation or discount rates generally reduce fair value, while higher expected rental values increase it. Management considers the assumptions used to reflect market-participant expectations and reviews them regularly against available external market data.

The fair values have been estimated using the income (discounted cash flow) approach, which requires management to make judgements regarding forecast cash flows, discount rates and other valuation inputs. The probabilities of various outcomes within the input ranges are assessed and incorporated into management's estimate of fair value. A reconciliation of the carrying amount of investment properties, including fair value movements recognised in profit or loss, is presented in Note 12

(d) Objectives

The Group has an investment policy and strategy, that sets out its overall investment strategy and its general risk management philosophy. The Fund Manager has established processes to monitor and control these risks in a timely and appropriate manner. These guidelines are the subject of regular operational reviews undertaken by the Fund Manager to ensure that the Fund's policies are adhered to, as it is the Fund Manager's duty to identify and assist in the control of risk.

The Fund Manager ensures that all investment activity is performed in accordance with the investment guidelines.

The Fund's investment activities expose it to various types of risks that are associated with the financial instruments and markets in which it invests. Risk is inherent in the Fund's activities and it is managed through a process of ongoing identification, measurement and monitoring. The financial risks to which the Fund is exposed include market risk, credit risk and liquidity risk.

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7.3. Liquidity Risk

Liquidity risk is the risk that the trust through solvent, has sufficient liquid assets to meet its obligations such as operational costs and distribution to unit holders when they fall due. The liquidity profile of the trust is a function of the asset mix as enunciated in the investment guidelines. To the extent that they re practicable , immediate demands for cash are not expected to pose undue liquidity risk for the Group. An immediate demand for cash can only be a risk if there is liquidity shortage which does not apply in the case of the "NREIT" Fund. The Fund being a closed ended trust would not be faced with liquidity requests for redemption of units as units can only be sold to willing buyer(s) over-the-counter (OTC).

Group 2025	Due on demand	Due within 3 months	Due within 3 &12 months	More than 1 year	Total
Financial Assets					
Bank Balances	3,831,367	-	-	-	3,831,367
Other Receivables	5,731,058	-	-	-	5,731,058
	9,562,425	-	-	-	9,562,425

Group 2025	Due on demand	Due within 3 months	Due within 3 &12 months	More than 1 year	Total
Financial					
Other payables	-	-	11,065,798	-	11,065,798
Distribution	-	2,996,936	-	-	2,996,936
Net Financial Asset	9,562,425	-	2,996,936	11,065,798	-
					4,500,309

Group 2024	Due on demand	Due within 3 months	Due within 3 &12 months	More than 1 year	Total
Financial Assets					
Bank Balances	5,417,123	-	-	-	5,417,123
Other Receivables	19,089,351	-	-	-	19,089,351
	24,506,474	-	-	-	24,506,474

Group 2024	Due on demand	Due within 3 months	Due within 3 &12 months	More than 1 year	Total
Financial Liabilities					
Other payables	-	-	1,639,914	-	1,639,914
Distribution	-	692,048	-	-	692,048
Net Financial	24,506,474	-	692,048	-	1,639,914
					22,174,512

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7.3. Liquidity Risk - continued

Fund 2025	Due on demand	Due within 3 months	Due within 3 &12 months	More than 1 year	Total
Financial Assets					
Bank Balances	1,220,328	-	-	-	1,220,328
Other Receivables	3	-	-	-	3
	1,220,331	-	-	-	1,220,331
Financial					
Distribution	598,726	-	-	-	598,726
Trade and other payables	5,167,689	-	-	-	5,167,689
Net Financial	-	4,546,084	-	-	4,546,084
Fund 2024					
Fund 2024	Due on demand	Due within 3 months	Due within 3 &12 months	More than 1 year	Total
Financial Assets					
Bank Balances	3,487,587	-	-	-	3,487,587
Other Receivables	19,089,352	-	-	-	19,089,352
	22,576,939	-	-	-	22,576,939
Financial					
Distribution	-	-	-	-	-
Trade and other payables	605,209	-	-	-	605,209
Net Financial	21,971,730	-	-	-	21,971,730

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7 Risk Management Framework

7.4 Credit Risk

The Group is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group is only exposed to counterparty credit risk on cash and cash equivalents, rent receivable from tenants. The risk of default is considered minimal.

The maximum exposure to credit risk is the carrying amount of the financial asset as set out below:

Analysis of credit risk exposure

**Group
31-Dec-25**

	Bank balances	Financial assets held for trading		Other assets	Maximum exposure
	N'000	N'000		N'000	N'000
Financial	3,831,367	-		-	3,831,367
Other Receivables	5,731,058	-		15,960	5,747,018
	9,562,425	-		15,960	9,578,385

**Group
31-Dec-24**

	Bank balances	Financial assets held for trading		Other assets	Maximum exposure
	N'000	N'000		N'000	N'000
Financial	5,417,123	-		-	5,417,123
Institutions					
Other Receivables	-	-		19,089,351	19,089,351
	5,417,123	-		19,089,351	24,506,474

**Fund
31-Dec-25**

	Bank balances	Financial assets held for trading		Other assets	Maximum exposure
	N'000	N'000		N'000	N'000
Financial	1,220,328	-		-	1,220,328
Institutions					
Other Receivables	3	-		12,885	12,888
	1,220,331	-		12,885	1,233,216

**Fund
31-Dec-24**

	Bank balances	Financial assets held for trading		Other assets	Maximum exposure
	N'000	N'000		N'000	N'000
Financial	3,487,587	-		-	3,487,587
Institutions					
	3,487,587	-		-	3,487,587

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
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7.5. Market Risk

i) Price and cashflow risk

This is the risk that market forces of demand and supply may negatively impact the group's underlying asset values and its ability to attain projected performance based on declining rental income, resulting in reduced distributions to investors.

The Group may also have exposures to the capital market, through debt and equity investments in the portfolio. This risk will be managed through the Group's sector limits. The Trust Deed provides diversification limits, single counterparty limit and leverage limits for the Fund.

As at 31 December 2025, the Fund does not have any equity investment affected by price movements.

Supply and demand factors can impact the Group's property portfolio in terms of occupancy levels, rental income and real estate asset prices. Reduced occupancy levels and declining rental levels will affect the Group's operating performance, portfolio valuation and also its ability to distribute income to investors.

The Fund Manager, together with its Investment Committee, and the property Manager will work together to manage property market related risks to the portfolio. Market risk factors, such as a macroeconomic decline in the economy will be brought to the Investment Committee as they occur to ensure active management of properties within the portfolio.

The NREIT LFZ, Imani-Shell Trustees Joint Venture (NREIT Imani), A.B.J. Real Estate SPV Limited(NREIT Madeira) investments have been the key driver of returns for the Fund in 2025. Going forward, the Fund is expected to continue investing in income producing real estate assets.

ii) Non-interest financial income risk

It should be noted that as a Shariah compliant Fund, the Fund does not invest in interest earning instruments, but only in short-dated, Shariah compliant instruments such as Mudarabah instruments, that deliver income to the Fund.

These instruments are utilized by the Fund whilst it is investing capital in income producing real estate assets.

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iii) Foreign exchange risk

The Group has no foreign exchange exposure.

The table below indicates the currencies to which the Group had significant exposure on its non-trading monetary assets and liabilities and its forecast cash flows.

The analysis calculates the effect of a reasonably possible movement of the currency rate against the Naira (all other variables being held constant) on profit or loss and equity.

A negative amount in the table reflects a potential net reduction in profit or equity, while a positive amount reflects a net potential increase. An equivalent decrease in each of the currencies below against the Naira would have resulted in an equivalent but opposite impact.

7.5. Market Risk - continued

The table below summarizes the Group's exposure to foreign currency exchange risk as at 31 December 2025. Included in the table are the Group's financial instruments at their carrying amounts categorised by currency.

	2025 Group Naira	2024 Group Naira
	N'000	N'000
Financial assets		
Due from banks	3,831,367	5,417,123
Other Receivables	5,731,058	19,089,351
	9,562,425	24,506,474
Financial Liabilities		
Other liabilities	11,065,798	1,639,914
	11,065,798	1,639,914
	Fund Naira	Fund Naira
	N'000	N'000
Financial assets		
Due from banks	1,220,328	3,487,587
Other Receivables	3	19,089,352
	1,220,331	22,576,939

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	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	GROUP	GROUP	FUND	FUND
	N'000	N'000	N'000	N'000
8 Income				
Profit share on Mudaraba transaction	5,875,268	2,067,451	5,588,881	1,947,120
Rental and other operating income	4,431,688	1,612,601	-	-
Revaluation gain on investment property	17,324,440	-	-	-
	27,631,396	3,680,052	5,588,881	1,947,120
9 Other Income				
Foreign exchange gain	156	39,703	156	-
Dividend Income	-	307,585	-	307,585
	156	347,288	156	307,585
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	GROUP	GROUP	FUND	FUND
	N'000	N'000	N'000	N'000
10 Operating Expenses				
Custodian fees	39,017	24,428	39,017	24,428
Trustee fees	5,384	5,375	5,384	5,375
Registrar's fees	538	538	538	538
Auditor's remuneration	23,650	13,438	15,050	10,750
Sharia adviser fees	49,879	32,939	49,879	32,939
Professional fees	13,600	5,000	5,000	5,000
Regulatory & Supervisory fees	201,515	109,493	186,023	109,493
Management fees	1,618,911	715,291	1,618,911	715,291
Foreign exchange loss	169,824	-	-	-
Property Manager fees	10,858	1,685	10,858	1,685
Other operating expense	431,130	24,423	61,090	24,423
Bank Charges	769	56	732	23
	2,565,075	932,665	1,992,482	929,945
11 Cash and cash equivalents				
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	GROUP	GROUP	FUND	FUND
	N'000	N'000	N'000	N'000
Cash and bank balances	1,220,330	777,118	1,220,328	777,117
Investment in Mudaraba Transaction	2,611,037	4,640,005	-	2,710,470
	3,831,367	5,417,123	1,220,328	3,487,587

Cash and cash equivalent are measured at amortised cost and are held with Rand Merchant Bank while Investment in Mudaraba Transaction are held with Non-Interest Banks

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
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12 Investment Property	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	GROUP	GROUP	FUND	FUND
	N'000	N'000	N'000	N'000
Balance as at beginning of the year	35,000,000	940,532	-	-
Additions during the year	155,480,100	31,950,000	-	-
Disposals during the year	-	(940,532)	-	-
Revaluation Gain	(3,050,000)	3,050,000	-	-
Balance as at end of the year	187,430,100	35,000,000	-	-

The Group's investment property is measured at fair value. During the year, The Group purchased Warehouse II in addition to the Standard Industrial Facility I, II & III purchased in 2024 located in Lagos Free Zone, Ibeju-Lekki, Lagos. The Group also purchased two estates, Imani and Madeira, located in Maitama, Abuja . The properties are listed below

	2025			2024		
	NREIT LFZ N'000	NREIT MADEIRA N'000	NREIT IMANI N'000	Total N'000	NREIT LFZ N'000	Total N'000
Carrying value of asset upon						
Purchase	35,000,000	87,475,484	36,000,000	158,475,484	35,000,000	35,000,000
Fair value gain through P&L	3,976,924	7,742,080	5,912,537	17,631,541	-	-
Asset additions during the year	11,323,076	-	-	11,323,076	-	-
Balance as at end of the year	50,300,000	95,217,564	41,912,537	187,430,101	35,000,000	35,000,000

Valuation of Investment Property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably. Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Fair value

Subsequent to initial measurement investment property is measured at fair value. There was a revaluation of the investment properties during the year under review. The gain or loss arising from the change in fair value is included in net profit or loss for the period in which it arises. Changes in fair values are recognised as gains in profit or loss and included in 'other income. All gains relating to the fair value of the investment properties are unrealized.

Item Lease life

Property - Standard Industrial Facility I	86 years
Property - Standard Industrial Facility II	86 years
Property - Standard Industrial Facility III	86 years
Property - Warehouse 2	86 years

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12 Investment Property - continued

Valuation Process

The fair value is based on a valuation prepared by professional valuers who hold recognised and relevant professional qualifications and have recent experiences in the location and category of the investment property being valued. The valuations forms the basis for the carrying amounts in the financial statements. Investment property that is being redeveloped for continuing use as Investment property or for which that market has become less active continues to be measured at fair value. The professional valuer engaged for the preparation of the valuation reports is Diya Fatimilehin (Estate Surveyors & Valuers): FRCN Number (FRC/2013/NIESV/00000000754). After the submission of the valuation report from the valuer, the Investment Committee which comprises of highly knowledgeable professionals in real estate business reviews the report. At the financial year end, the Fund Manager and the Property Manager:

1. verify all major inputs to the independent valuation report
2. assess property valuation method used and movements when compared to the prior year valuation reports
3. hold discussions with the independent valuer, when necessary

Valuation Techniques

In carrying out the valuation, below are the various methods adopted by the valuer in determining the market value of the investment property.

1. Direct market comparison method
2. Investment/income capitalization method
3. Redevelopment method

The use of these methods for a particular property depends on the type and market conditions of the property. One or all methods could be used for a particular property at a particular time by way of cross-checking figures. The valuer uses his discretion to adopt the most appropriate method suitable to the type of property being valued. Discounted Cash Flow approach is carefully selected based on current capital market conditions and is intended to reflect the risk-adjusted return expectations for the subject real estate investment

13 Investment in Subsidiary

NREIT acquired Standard Industrial Facility I, II and III using a Special Purpose Vehicle ("SPV") called NREIT LFZ Enterprise on the 31 May 2024 - these are properties currently used for industrial activities with its location zoned for industrial use within the Ibeju-Lekki Local Government Area. NREIT LFZ Enterprise was incorporated under the laws of the Nigeria Export Processing Zones Authority ("NEPZA") Act of 1992 as an Enterprise in LFZ on 6 May 2024.

NREIT sold the Purpose Built Student Accommodation 1 Limited "PBSA" investment property (See 12(c) which generates rental income from the lease of the properties to university students on the 30 September 2024 for NGN 950 million. The principal activity of the Company is to carry on the development, provision and management of student hostels.

NREIT acquired Warehouse II using a special purpose vehicle (SPV) called NREIT LFZ Enterprise on the 12th December 2025. These are properties currently used for industrial activities with its location zoned for industrial use within the Ibeju-Lekki Local Government Area. NREIT LFZ Enterprise was incorporated under the laws of the Nigeria Export Processing Zones Authority ("NEPZA") Act of 1992 as an Enterprise in LFZ on 6 May 2024.

NREIT acquired Imani and Madeira Estates in October 2025 through the acquisition of a business name called Imani-Shell Trustees Joint Venture for the Imani Estate (NREIT Imani), and using a Special Purpose Vehicle (SPV) called A.B.J. Real Estate SPV Limited (NREIT Madeira) to acquire the Madeira Estate. The properties are currently being utilized as residential estates within Abuja and are held to generate rental income and for capital appreciation.

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13 Investment in Subsidiary - continued

		FUND	31-Dec-25	31-Dec-24
			N'000	N'000
(a) Investment in Subsidiary	Country of Incorporation	Principal Activity		
NREIT LFZ Enterprise	Nigeria	Factory, warehousing and logistics	43,273,076	31,950,000
NREIT IMANI	Nigeria	Accommodation	87,693,047	-
NREIT MADEIRA	Nigeria	Accommodation	36,089,537	-
			167,055,660	31,950,000

	31-Dec-24	
	GROUP N'000	FUND N'000
(b) Proceeds on disposal of PBSA		
Sale consideration received for Purpose Built Student Accommodation 1 Limited	950,000	950,000
Less: Carrying value of Investment property	940,532	
Less: Net asset value of Subsidiary at disposal		968,225
	9,468	(18,225)

The gain or loss on disposal of PBSA has been recognized in the consolidated and separate statements of profit or loss

Net asset value of PBSA at disposal

	31-Dec-24 N'000
Investment Properties	940,532
Prepayments	934
Currents Assets/Trade Receivables	33,409
Cash at Bank	540,365
Total Assets	1,515,241
Non- Current Liabilities	27,409
Current Liabilities	414,711
Total Liabilities	442,120
Share Capital	10,001
Share Premium	438,224
Deposit for Shares	393,034
Retained Income	104,310
Interim Dividend Due to NREIT	(104,569)
Profit and Loss (Current year)	127,226
Net Asset Value	968,225

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(c) The following table summarises the acquisition date fair value of each major class of consideration transferred.

	31-Dec-25	31-Dec-24
	NREIT LFZ	NREIT LFZ
Investment properties	50,300,000	35,000,000
Cash at bank	2,907,274	1,926,536
Total assets	53,207,274	36,926,536
Liabilities		
Rent received in advance	1,962,382	1,153,685
Provision for distribution	891,205	692,048
Trade payables	4,838	2,688
Total liabilities	2,858,425	1,848,421
Net assets	50,348,849	35,078,115
	50,348,849	35,078,115
	31-Dec-25	31-Dec-24
	NREIT	NREIT
	IMANI	IMANI
Investment properties	95,217,563	-
Prepayments	-	-
Currents Assets/Trade Receivables	3,443,193	-
Total assets	98,660,756	-
Liabilities		
Provision for distribution	991,889	-
Trade payables	36,278	-
Deferred Income	2,416,834	-
Total liabilities	3,445,001	-
Net assets	95,215,755	-
	95,215,755	-
	31-Dec-25	31-Dec-24
	NREIT	NREIT
	MADEIRA	MADEIRA
Investment properties	41,912,537	-
Currents Assets/Trade Receivables	2,287,863	-
Total assets	44,200,400	-
Liabilities		
Deferred Income	1,752,265	-
Provision for distribution	515,117	-
Trade payables	21,747	-
Total liabilities	2,289,129	-
Net assets	41,911,271	-
	41,911,271	-

(d) The following table summarises the recognition of the net asset value of the subsidiary before disposal

	31-Dec-24
	FUND
	N'000
Carrying value of investment in subsidiary	654,513
Net asset value of PBSA upon disposal	968,225
	313,712

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14 Other receivables	31-Dec-25 GROUP N'000	31-Dec-24 GROUP N'000	31-Dec-25 FUND N'000	31-Dec-24 FUND N'000
Other Receivable	5,731,058	19,089,351	3	19,089,352
Prepaid Insurance	15,960	9,664	12,885	9,664
	5,747,018	19,099,015	12,888	19,099,016
Non-Current	15,960	9,664	3	9,664.00
Current	5,731,058	19,089,351	12,885	19,089,352
	5,747,018	19,099,015	12,888	19,099,016
	31-Dec-25 GROUP N'000	31-Dec-24 GROUP N'000	31-Dec-25 FUND N'000	31-Dec-24 FUND N'000
15 Other payables				
Trade and other payables	3,909,769	810,975	3,846,908	605,210
Advance rent and caution Fee	1,962,382	147,051	-	-
Sundry creditors	1,024,549	-	1,024,546	-
Intercompany Payables (NREIT LFZ Proceeds)	-	-	296,235	-
Deferred Income	4,169,099	-	-	-
	11,065,798	958,026	5,167,689	605,210
Current	11,065,798	605,210	3,846,908	605,210
Non-current	-	223,573	-	-
	11,065,798	828,783	3,846,908	-
	31-Dec-25 GROUP N'000	31-Dec-24 GROUP N'000	31-Dec-25 FUND N'000	31-Dec-24 FUND N'000
16 Distribution payable				
Distribution to members	2,987,314	694,906	589,104	-
Distribution to LFZ	9,622	-	9,622	-
	2,996,936	694,906	598,726	-
Movement in Distribution Payable				
Balance as at 1 January 2025:	692,048	799,038	-	799,038
Provision	6,859,614	2,812,295	2,560,200	1,195,084
Cash distributions paid during the year	(4,557,584)	(2,919,285)	(1,961,474)	(1,994,121)
Balance as at 31 December 2025:	2,994,078	692,048	598,726	-
Distributions	6,859,614	2,812,295	2,560,200	1,195,084

In accordance with the Fund's trust deed, the Fund will distribute at least 75% of the net income of the Group on a quarterly basis. In determination of the distribution amount, the Fund Manager considers on a number of factors, including accounting profit, fair value treatment of investments held, future investments, reserves, cash balances and liquidity. The payment of distribution is considered by the Investment Committee and where approved is declared on a quarterly basis. Distribution due to the Unitholders are recognised when they become payable.

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17 Net assets attributable to unitholders**

The NREIT Fund is authorized and registered in Nigeria as a Unit Trust Scheme with the Securities and Exchange Commission ("SEC"). The Fund is governed by a Trust Deed with Stanbic Trustees Limited as Trustees. The Fund's authorized unit capital is 1,588,617 ordinary units with par value of N100 per unit.

	Number of units			
Authorized for Series 1,2, 3 & 4	1,588,617			
Issued and full paid	1,588,617			

The analysis of movements in the number of units and net assets attributable to unitholders during the period were as follows:

	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	GROUP	GROUP	FUND	FUND
	N'000	N'000	N'000	N'000
Opening Balance	53,620,098	7,413,941	53,620,098	7,413,941
Addition of new issues	107,554,712	46,206,157	107,554,712	46,206,157
Member's funds	161,174,810	53,620,098	161,174,810	53,620,098
Retained earnings	21,770,941	210,405	1,347,651	(185,306)
Fair value reserve	-	-	-	-
	182,945,751	53,830,503	162,522,461	53,434,793

The analysis of movements in the number of units during the period were as follows:

	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	GROUP	GROUP	FUND	FUND
Opening units	530,648	530,648	74,150	74,150
Addition during the year	1,057,969	-	1,514,467	-
Transfer during the year	-	-	-	-
Closing units	1,588,617	530,648	1,588,617	74,150

The Fund being a closed ended trust would not be faced with liquidity requests for redemption of units as units can only be sold to willing buyer(s) over-the-counter (OTC).

The Fund is wholly funded by contributions from members, comprising the issued units and retained earnings. The Fund may seek to raise additional capital from time to time to the extent that the Fund Manager believes the Fund will be able to provide investments in line with the Fund's investment policy. As detailed in the Fund's prospectus dated 24 January 2025, the Fund may borrow up to 25% of its Net Asset Value when required and the nature of this borrowing shall be 'Shariah-complaint' or 'Non-interest bearing'. During the period the Fund did not have a debt facility. The Fund's objective when managing funds is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Fund. The Fund Manager monitors managed funds on the basis of the value of net assets attributable to unitholders.

18 Related party disclosures

As defined by IAS 24 Related Party Disclosures, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions or one other party controls both. The Fund's key related party is its Fund Manager, Chapel Hill Denham Management Limited and another related entity Chapel Hill Denham Advisory Partners Limited. Chapel Hill Denham Advisory Limited acted as the lead issuing house for the Fund's initial offer.

Name of Related Party	Type of Transaction	Relationship	Amount N'000
Chapel Hill Denham Management Limited	Unitholder	Fund Manager	1,370,621
Chapel Hill Advisory Partners Limited	Unitholder	Related Party	632,038
Chapel Hill Denham Advisory Limited	Issuance	Issuing House	-
NREIT LFZ	Intercompany Payable	Subsidiary	296,235

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19 Related party disclosures - Continued

Fund Managers

The Fund Manager is a party to the Trust Deed establishing the Fund, pursuant to which it manages the day-to-day affairs of the Fund in accordance with the Fund's investment objective and policies. Chapel Hill Denham Management Limited has been appointed as the Fund Manager with their official address at 10 Bankole Oki Ikoyi Lagos. For undertaking the management activities of the Fund, the Fund Manager receives a fund management fee which is calculated and paid quarterly in arrears, at a rate of 1.50% per annum of the net asset value of the Fund and paid quarterly. The Fund Manager holds 13,307,000 units representing 0.84% in the Fund. The number of units held by Chapel Hill Advisory Partners Limited "CHAPS" was 6,136,299 representing 0.39% in the Fund.

Issuing House

Chapel Hill Denham Advisory Limited "CHDA" acted as the lead issuing house for the Fund's initial offer of units, pursuant to which it provided investment banking advisory services to the Fund. CHDA is domiciled at 10 Bankole Oki Ikoyi Lagos.

20 Reconciliation notes to statement of cash flows

	31-Dec-25 GROUP	31-Dec-24 GROUP	31-Dec-25 FUND	31-Dec-24 FUND
	N'000	N'000	N'000	N'000
20(a) Other payables				
Balance, beginning of the year - Gross	1,639,914	958,026	605,209	734,453
Balance, end of the year - Gross	11,065,798	1,639,914	5,167,689	605,209
Movement for cash flow purpose	9,425,884	681,888	4,562,480	(129,244)
20(b) Distribution payable				
Balance, beginning of the year - Gross	692,048	799,038	-	170,545
Balance, end of the year - Gross	2,996,936	692,048	598,726	-
Movement for cash flow purpose	2,304,888	(106,990)	598,726	(170,545)
20(c) Other assets				
Balance, beginning of the year - Gross	19,099,015	18,789,616	19,099,016	18,781,766
Balance, end of the year - Gross	5,747,018	19,099,015	12,888	19,099,016
Movement for cash flow purpose	13,351,997	(309,399)	19,086,128	(317,250)
20(d) Investment in Subsidiary				
Balance, beginning of the year - Gross	-	-	31,950,000	654,514
Balance, end of the year - Gross	-	-	167,055,660	31,950,000
Movement for cash flow purpose	-	-	(135,105,660)	#####
20(e) Investment Property				
Balance, beginning of the year - Gross	35,000,000	940,532	-	-
Additions during the year	155,480,100	31,950,000	-	-
Revaluation gain through P or L	(17,324,440)	(940,532)	-	-
Fair value reserve moved to Retained Earnings	(3,050,000)	3,050,000	-	-
Balance, end of the year - Gross	187,430,100	35,000,000	-	-
Movement for cash flow purpose	(135,105,660)	31,950,000	-	-

21 Compliance with regulatory bodies

The Fund did not contravene any regulation of the Investment and Securities Act or relevant circulars issued by the Securities Exchange Commission.

OTHER NATIONAL DISCLOSURES

**NIGERIA REAL ESTATE INVESTMENT TRUST "NREIT"
 VALUE ADDED STATEMENT
 FOR THE YEAR ENDED 31 DECEMBER 2025**

	31-Dec-25	%	31-Dec-24	%
	GROUP	Change	GROUP	Change
Gross earning	27,631,396		4,048,782	
Bought-in-materials and services				
Local	(5,860,455)		(3,534,704)	
Value added	21,770,941	100	514,078	100

Distribution of value added

Retained in business:

Retained profit	21,770,941	100	514,078	100
	21,770,941	100	514,078	100

	31-Dec-25	%	31-Dec-24	%
	FUND	Change	FUND	Change
Gross earning	3,596,555		2,435,752	
Bought-in-materials and services				
Local	(2,248,904)		(2,621,058)	
Value added	1,347,651	100	(185,306)	100

Distribution of value added

Retained in business:

Retained profit	1,347,651	100	(185,306)	100
	1,347,651	100	(185,306)	100

Financial summary

Five years financial summary is not presented, as this is the fourth year of operations of the Fund.