Independent Post-Issuance Assurance Report to the Directors of TUHF on Urban Ubomi 1 Social Bond

Introduction

IBIS ESG Consulting Africa (Pty) Ltd (trading as SLR), hereinafter referred to as "SLR," has been engaged by TUHF, hereinafter referred to as the "Issuer" or “the Company” or “TUHF", to perform a limited post-issuance assurance engagement on the Urban Ubomi 1 (UU1) Social Bond Allocation and Impact Reporting as at 31st March 2025, in line with the commitments stated in the TUHF Sustainable Finance Framework of May 2024, hereinafter referred to as the “Framework” or “SFF”. This report will also be assessed against the requirements of the International Capital Market Association (ICMA's) Harmonised Framework for Impact Reporting Social Bonds June 2022 and the Social Bond Principles (SBP) of June 2025.

TUHF is an impact-focused lender with a track record of successfully financing inner-city residential buildings developed, owned, and operated by small, medium and micro enterprise (SMME) property entrepreneurs (Borrowers). TUHF is a mortgage financier. TUHF is a non-bank financial services company that borrows money from the loan and capital markets and invests it in inner-city and in-city areas, extending finance to entrepreneurs to grow their businesses. In particular, TUHF targets property entrepreneurs in the affordable housing market who repurpose and densify existing buildings in inner-city, in-city and Township areas. Within these contexts, TUHF’s business model is directed at ordinary South African men and women who live and/or work in urban areas.

Subject Matter Information, Criteria, and Scope

The scope of the subject matter for *Limited Assurance* in line with the ISAE3000 (Revised) assurance standard, as captured in the agreement with TUHF, included:

- Part 1: TUHF’s alignment with its commitments set forth in the Framework, and the requirements of section 6.80(b) of the JSE Debt Listing Requirements,
- Part 2: TUHF’s disclosure of Allocation and Impact Reporting.

Our engagement was conducted following limited assurance procedures to determine whether the subject matter information reported, in all material respects, is prepared in accordance with the following criteria: TUHF’s Framework as well as the requirements of the International Capital Market Association (ICMA's) Harmonised Framework for Impact Reporting Social Bonds June 2022, the Social Bond Principles (SBP) of June 2025 and the requirements of section 6.80(b) of the JSE Debt Listing Requirements.

Our firm’s responsibilities do not extend to any other disclosures or assertions.

SLR’s Independence and Quality Control

SLR is an independent provider of non-financial assurance services. This engagement was conducted by a multidisciplinary team of non-financial assurance specialists led by Petrus Gildenhuys, who has more than 25 years of experience in non-financial performance measurement involving both advisory and assurance work and supported by assurance consultants, Denite Swanepoel and Matthew Diepenbroek.

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

We confirm that we are independent of TUHF in terms of this engagement and that there are no relationships or circumstances that may impair our independence while performing this work in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code.

Respective Responsibilities

TUHF

TUHF is responsible for the data generation, collection and reporting of the disclosures in the assurance scope. TUHF is also responsible for maintaining adequate records and internal controls that support the reporting process during the reporting period.

SLR

SLR's responsibilities were to conduct an assurance opinion and to report its conclusions to the Directors based on the procedures followed. SLR conducted the engagement in accordance with the 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). This standard, inter alia, requires the assurance practitioner to follow due process and comply with ethical requirements.

Inherent Limitations

Evidence to support the information reported was obtained electronically for review and assessment as a basis for our assurance conclusion.

In addition, 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. The procedures performed in a *Limited Assurance* engagement are markedly less in scope than those performed in a *Reasonable Assurance* engagement. The independent assurance engagement was based on the information provided by the entity and evaluated against the relevant standards as applicable at the time of the engagement.

Other Matters

The maintenance and integrity of the published subject matter is the responsibility of TUHF's management. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for published information if inconsistent with this assurance statement.

Restriction of Liability

Our work has been undertaken to enable us to express a *Limited Assurance* conclusion on the selected subject matter information to the Directors of TUHF in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume responsibility to any third parties, i.e. other than the Directors and the company, for our work or for this report to the fullest extent permitted by law, except where such third parties have obtained our prior written consent.

Summary of Work Performed

TUHF provided SLR with the relevant supporting information and documentation related to the Urban Ubomi 1 Social Bond. SLR applied TUHF's SFF and ICMA's Harmonised Framework for Impact Reporting Social Bonds as audit criteria in respect to the underlying data in the scope of the assurance engagement. SLR' assurance procedures, based on our professional judgement, consisted of:

- Conducting interviews with the relevant functional managers and data owners to obtain an understanding of the processes, systems, and controls in pace in respect of the project evaluation and selection, use of proceeds, management of proceeds and reporting;
- Inspection and corroboration of the bond allocation and impact related information and evidence, including but not limited to:
  - Impact Report
  - Allocation Register
  - TUHF Sustainable Finance Framework
  - Applicable Pricing Supplements
  - Urban Ubomi 1 Investor Report
- Performing testing on a sample basis to evaluate the funds placed within the projects is in accordance with the eligibility criteria; and
- Evaluating the relevant components of the TUHF Sustainable Finance Framework in respect of the project evaluation and selection, use of proceeds, management of proceeds and reporting.

Summary of findings

Review Section	Summary	Evaluation
Part 1 - Alignment with the Issuer's commitments set forth in the Framework	TUHF allocations and impact reporting are aligned with the commitments within its Framework. The funds have been utilised to finance and refinance eligible social projects, aligned to the eligibility criteria as specified in the Framework. This includes: • Affordable Housing • Employment Generation • Socioeconomic Advancement and Empowerment SLR noted that some of the eligible projects did not align with the refinancing requirements as the lookback period of the loans were longer than 36 months, although they met the social eligibility criteria. In the current reporting period, 26% of the value of the book is older than the three-year lookback period however these have been included due to preference	**Aligned**

Review Section	Summary	Evaluation
	being placed on older loans by credit agencies as stability is brought to the portfolio. SLR recommends that the Issuer ensures alignment with the lookback period of 36 months as defined within the Framework. The Issuer has also maintained an allocation register, which was provided during the verification process, to ensure that the value of the net proceeds of the bond within the scope of this assurance is equivalent to the total allocation to all eligible projects. Allocation and impact reports are disclosed in line with the requirements and indicators stated in the Framework. The assessment conducted confirms the Issuer's adherence to the requirements of the Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds, Reporting, and Verification sections in the Framework.	
Part 2: Disclosure of Allocation and Impact Reporting	Allocated proceeds are reported on a portfolio basis, on an eligible category and a target population level. The Issuer provides transparency on the calculation methodology, in line with best practices. The reported impact indicators not only quantify the social effects of the bond but also closely adhere to the ICMA framework's core principles of transparency, measurement, and disclosure of social benefits. The impact indicators used aligns with those stated in the Issuer's Framework as well as the ICMA Harmonized Framework for Impact Reporting for Social Bonds.	**Aligned**

Allocation Reporting

According to the Issuer's Sustainable Finance Framework, the issuer committed to annually reporting on the allocation and impact of the bond proceeds. As at 31 March 2025, TUHF has allocated 100% of its net proceeds to eligible projects including Affordable Housing the impact of which includes employment generation, socioeconomic advancement and empowerment.

The allocation reporting is detailed below.

Loan Allocation Breakdown	Number of Loans	Total Facility (ZAR 'Mn)	Total Outstanding Value (ZAR 'Mn')	Percentage of Total Loan Allocation (%)[1]
Total Facility	230	1,609.46	1,343.14	100%
Cash Portion			33.22	2%

1 The percentage allocation is based on the total outstanding value rather than the total facility.

Loan Allocation Breakdown	Number of Loans	Total Facility (ZAR ‘Mn)	Total Outstanding Value (ZAR ‘Mn’)	Percentage of Total Loan Allocation (%)[1]
Total Loans to SMEs	230	1,609.46	1,343.14	100%
Total Loans to Women owned SMEs	40	188.46	164.26	12%
Total Loans to PDIs	153	938.39	786.21	59%
New Financed Loans	164	1,060.57	885.14	66%
Refinanced Loans	66	548.89	458.01	34%

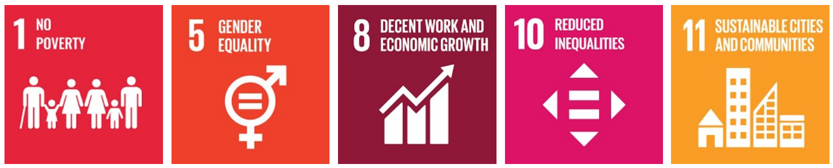
Impact Reporting

The Issuer has carefully selected impact indicators for these eligible loans, aligning with the best market practices and adhering to the ICMA Harmonised Framework for Impact Reporting for Social Bonds. These quantitative indicators are particularly relevant to the specific social project categories of projects funded by the bond. The table below provides a detailed breakdown of the reported impacts on selected indicators.

Affordable Housing	
Number of affordable housing units financed	7,270
Number of buildings financed	230
Minimum number of people housed	18,175
Contribution to local municipalities’ property rates and utilities	R65,356,526.06
Employment Generation	
Number of permanent jobs created	58
Number of short-term jobs created	164
Number of previously disadvantaged SMEs financed (backed)	153
Socio Economic Advancement and Empowerment	
Number of SMEs financed (backed)	230
Number of loans issued to PDI’s	153
Value of loans issued to PDI SMEs	R786,213,462.76
Number of loans issued to women owned SMEs	40
Value of loans issued to women owned SMEs	R164,257,334.82
% of loan book to women owned SMEs	12%
Number of previously disadvantaged individuals trained (TPPE)	44
Number of previously disadvantaged individuals mentored	23

Sustainability Quality

Based on the sustainability quality assessment of the use of proceeds and utilising ICMA's high-level mapping to the Sustainable Development Goals (SDGs), SLR has determined that the Issuer's focused project category aligns with the criteria for positive and direct contributions set up for the specific SDGs. The high-level mapping of the impact indicators with the UN Sustainable Development Goals demonstrates this alignment.



Furthermore, the allocation of the bond's proceeds has been transparently disclosed, with a detailed breakdown across different eligible project categories in line with the Framework. The Issuer has adopted a suitable methodology to report the impact generated, ensuring comprehensive disclosure on data sourcing, calculation methodologies, and granularity. This approach adheres to best market practices.

Limited Assurance Conclusion

We believe that the information provided by TUHF, and the work performed by SLR are sufficient and appropriate to form a basis for our *Limited Assurance* conclusion.

In our opinion, and based on our limited assurance procedures, nothing has come to our attention that causes us to believe that the selected post-issuance disclosures set out in the assurance scope are not fairly represented in all material respects for:

- the **Urban Ubomi 1 Social Bond**, alignment with the requirements of the Social Bond Principles (June 2025),
- the requirements of the International Capital Market Association (ICMA's) Harmonised Framework for Impact Reporting Social Bonds (June 2022),
- the commitments stated in the TUHF Sustainable Finance Framework, and
- alignment with the requirements of section 6.80(b) of the JSE Debt Listing Requirements.

Petrus Gildenhuys
Director
8 September 2025

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