TUHF LIMITED

Urban Ubomi 2 Social Bond

Post Issuance Assurance

Management Report

20 JUNE 2025

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INTRODUCTION

IBIS ESG Consulting Africa (Pty) Ltd, hereinafter referred to as "IBIS," has been engaged by TUHF Holdings Group (referred to as "TUHF"), under its securitization, Urban Ubomi 2 (RF) Limited (hereinafter referred to as the "Issuer" or "the Company") to perform a limited post-issuance assurance engagement on the Urban Ubomi 2 (UU2) Social Bond Allocation and Impact Report 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"). The report is also assessed against the requirements of the International Capital Market Association (ICMA's) Harmonised Framework for Impact Reporting for Social Bonds June 2022 and the Social Bond Principles (SBP) of June 2023.

TUHF is an impact-focused lender and mortgage financier 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 non-bank financial services company that borrows money from the loan and capital markets and invests it in inner-city and urban 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, urban 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.

Urban Ubomi 2 (RF) Limited, was listed by TUHF on the 13th of September 2024. The Bond was listed as a R5bn Mortgage-Backed Securitisation Programme on the Johannesburg Stock Exchange.

SCOPE AND SUBJECT MATTER

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: Issuer's Alignment with Commitments in the Framework
- Part 2: Issuer's Allocation and Impact Reporting

RESPECTIVE RESPONSIBILITIES

TUHF

The Directors of TUHF are responsible for the generation, collection and presentation of the selected impact indicators and associated Bond disclosure. TUHF is also responsible for maintaining adequate records and internal controls that support the reporting process during the reporting period.

IBIS

IBIS' responsibilities were to conduct an assurance engagement and to report its conclusions to the Directors in accordance with the assurance procedures followed. IBIS conducted the engagement in alignment 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, which Standard inter alia requires that the assurance practitioner follows due process and comply with ethical requirements.

Summary Of Work Performed

The Issuer provided IBIS with the relevant supporting information and documentation related to the UU2 Social Bond. IBIS applied the Framework 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. IBIS' assurance procedures, based on our professional judgement, consisted of:

- Management enquiries,
- Inspection and corroboration of the allocation of proceeds and impact related information and evidence,
- Sampling of eligible loan information,
- Review of related documentation including but not limited to:
  - Impact Report
  - Allocation Register,
  - TUHF Sustainable Finance Framework,
  - Applicable Pricing Supplements, and
  - Urban Ubomi 2 Investor Report.
- Evaluation of the relevant components of the Framework related to:
  - Use of Proceeds,
  - Process for Project Evaluation and Selection,
  - Management of Proceeds,
  - Reporting, and
  - Verification.

Inherent Limitations

The reliability of the reported sustainability data is subject to inherent uncertainty, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

Evidence to support the information reported was obtained electronically for review and assessment as a basis for our assurance conclusion. In addition, the evidence-gathering procedures performed in a limited assurance engagement vary in nature and are less in extent than a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Other Matters

The maintenance and integrity of TUHF's website is the responsibility of TUHF's management. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Framework or our independent assurance report that may have occurred since the initial date of presentation on the TUHF website.

Restriction of Liability

Our work has been undertaken to enable us to express the opinions and conclusions on the selected Bond related information to the Directors of TUHF in accordance with the terms of our engagement and for no other purpose. This report and our findings are intended exclusively for the use of the Directors and the Company and may not be relied upon by any other parties without our prior written consent.

Summary of Findings

Review Section	Summary	Evaluation
Part 1: Issuer's Alignment with Commitments in the Framework	The Issuer's allocations and impact reporting are aligned with the commitments within its Framework. The proceeds have been utilized 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 IBIS noted that, although aligned with the social eligibility criteria, some of the eligible projects did not align with the refinancing requirements as the lookback period of the loans were significantly longer than the stated 36 months. IBIS recommends that the Issuer ensures alignment with the lookback period of 36 months as defined within the Framework for any further reallocation of proceeds. A minor portion of the bond proceeds was noted to be unallocated. The Issuer managed the unallocated proceeds in line with its commitments in the framework. The Issuer has also maintained an allocation register, which was provided during the assurance 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 plus the unallocated proceeds and cash reserve. 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.	Aligned with Recommendation
Part 2: Issuer's Allocation and Impact Reporting	Allocation and impact reports are disclosed in line with the requirements and indicators stated in the Framework. Allocated proceeds are reported on a portfolio basis, on an eligible category level and at a target population level. The Issuer provides transparency on the calculation methodology, in line with best practices. The total funding of the UU2 bond which included the total value of the issued notes and the subordinated loans was equal to the total value of the proceeds	Aligned

	allocated to eligible projects, the unallocated proceeds, and the cash reserve. The reported impact indicators quantify the social effects of the bond and closely adhere to the ICMA framework's core principles of transparency, measurement, and disclosure of social benefits. The impact indicators disclosed aligns with those stated in the Issuer's Framework as well as the ICMA Harmonized Framework for Impact Reporting for Social Bonds.	

The sections below discuss the two parts summarised above.

PART 1 – ISSUER'S ALIGNMENT WITH COMMITMENTS IN THE FRAMEWORK

The following table evaluates the Issuer's post issuance compliance against the commitments set forth in the Framework, which are based on the core requirements of the ICMA Use of Proceeds Principles, as well as best market practices.

S/N	ICMA PRINCIPLES COMPONENTS	IBIS' EVALUATION	ALIGNMENT WITH COMMITTMENTS
1	Use of Proceeds	In accordance with the Issuer's commitment in the Framework, the net proceeds from the UU2 bond have been allocated to the loans which meets one or more of the following eligible social project categories: • Affordable Housing • Employment Generation • Socioeconomic Advancement and Empowerment The Issuer raised R1.389Bn in total proceeds for the UU2 bond which includes R1.285Bn in notes and R104.5Mn in subordinated loans. 98.3% (R1.365Bn) of the proceeds are available for allocation to eligible loans while 1.7% (R24.19Mn) is kept as cash arrears reserve. The Issuer has allocated the R1.353Bn (97.4% of the total proceeds) to finance 248 loans which cut across the aforementioned eligible social project categories including loans to Small to Medium scale Enterprises (SMEs), women owned SMEs, and Previously Disadvantaged Individuals (PDIs) as defined within the Framework. The breakdown of the allocations of the projects has been detailed in the allocation and impact reporting section. The Issuer provided IBIS with an allocation register which	Aligned

S/N	ICMA PRINCIPLES COMPONENTS	IBIS' EVALUATION	ALIGNMENT WITH COMMITTMENTS
		confirms the eligibility criteria and the target population as stated in the Framework. IBIS also noted that the net proceeds of the bond was used to finance new and existing loans. 37% of the allocated proceeds was used to refinance existing loans while 63% was allocated to new financing. New loans are those where disbursements have been made no more than one year before the issuance of the bond or at any time from the date of issuance. Existing loans are those which have reached financial close one year or more before the issuance. According to the review of the allocation sheet, new loans were grouped under construction, conversion, purchase, purchase plus, and refurbishment while the refinanced loans were grouped as refinance. IBIS noted that 27% (R368.13Mn) of the proceeds allocated to eligible projects did not meet the refinancing requirements as the loans had a lookback period significantly longer than 36 months (earlier than 2021). The issuer stated that including older loans are seen as a positive factor by the bond rating agency. However, IBIS recommends that the Issuer ensures alignment with the lookback period of 36 months as defined within the Framework for any further reallocation of proceeds going forward. The social benefits were noted and quantified on a portfolio basis. The Issuer also confirms that no proceeds were allocated to the exclusion list as stated within the Framework. The exclusion list is aligned to the IFC's exclusion list. IBIS confirms that the Issuer follows the commitments stated in the Use of Proceeds section of the Framework except for the refinancing requirements.	
2	**Project Evaluation and Selection**	The Issuer aligns with its commitment to ensure that all projects, to which proceeds of the bond will be allocated, will be evaluated and approved by the TUHF Credit Committee, LoanCo, and ManCo. This was confirmed by the samples of the minutes of the LoanCo meeting, supported by the excerpts of correspondences of the loan approval by the TUHF Credit Committee and ManCo. The Issuer ensures that all eligible projects meet the eligibility criteria prior to allocation of proceeds.	Aligned

S/N	ICMA PRINCIPLES COMPONENTS	IBIS' EVALUATION	ALIGNMENT WITH COMMITTMENTS
		ESG risks associated with the projects are properly identified and managed by the issuer in line with its Environmental and Social Management Systems as well as through the Risk Management and Governance Framework. Therefore, IBIS notes the alignment of the Issuer to the project evaluation and selection requirements within its Framework	
3	Management of Proceeds	The Issuer confirms to follow the Process for Management of Proceeds description provided in the Framework. This is in line with the commitments outlined in the Issuer's Framework to achieve an allocation equivalent to the net proceeds of the Bond. The Issuer uses its internal accounting system to track the allocation of the net proceeds. 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 plus the unallocated proceeds and the cash reserve. The impact report also provides detail on the different notes raised under the bond and the allocation to each project category. About 0.9% (R11.9Mn) of the bond proceeds is noted to be unallocated. The unallocated amount is held in a money market investment account that meets the definition of Permitted Investment in the UU2 Programme Memorandum. This aligns with the management of unallocated proceeds in the Framework. Details of the allocation of proceeds will be outlined in the allocation and impact reporting section.	Aligned
4	Reporting	The Framework includes the Issuer's commitment to report on the allocation and impact of proceeds in a disclosure document, which is made publicly available on its website (https://www.tuhf.co.za/investors/). The allocation and impact report details: • Number and Value of eligible loans to different target population including race, gender, etc., • List of Eligible loans financed by net proceeds, • Total amount of proceeds allocated, • Percentage of new financing to refinancing, and	Aligned

S/N	ICMA PRINCIPLES COMPONENTS	IBIS' EVALUATION	ALIGNMENT WITH COMMITTMENTS
		• Impact indicators such as number of SME loans, number of jobs created, etc. The Issuer tracks impact indicators against internal targets, using a tool known as a 'results measurement plan.' The Issuer uses nCino and PowerBI to store all its data and information. This system contains all loan specific details and information on each property (number of units, square metres, unit configuration, location etc) as well as information on each client. The relevant data is collected during the loan application process and then tracked throughout construction, let up and the property management phases. Clients are bound to complete a loan application form at the outset and a drawdown application form for each drawdown of funds once the loan has been approved. The Issuer also collects data on the number of jobs that are created across the SMEs and projects financed. This is undertaken through client declarations. The information is captured in the system and checked for duplicates. The impact reporting focused on the impact indicators of each eligible project category as stated in the Framework. The impact indicators reported include: • Affordable Housing: ➢ Number of affordable housing units financed ➢ Number of buildings financed ➢ Number of people housed • Employment Generation ➢ Number of permanent jobs created ➢ Number of short-term jobs created • Socioeconomic Advancement and Empowerment ➢ Number of SMEs financed ➢ Number of loans issued to PDI SMEs ➢ Value of loans issued to PDI SMEs ➢ Number of loans issued to female owned SMEs ➢ Value of loans issued to female owned SMEs ➢ Percentage of loan book to female owned SMEs	

S/N	ICMA PRINCIPLES COMPONENTS	IBIS' EVALUATION	ALIGNMENT WITH COMMITTMENTS
		IBIS confirms this to be aligned with the Issuer's commitment in the Framework.	
5	Verification	IBIS was engaged to provide a pre-issuance Second Party Opinion (SPO) on the Issuer's Framework and was also engaged to provide post-issuance assurance on the UU2 Social Bond Report.	Aligned

PART 2: ISSUER'S ALLOCATION AND IMPACT REPORTING

According to the Framework, the Issuer committed to annually reporting on the allocation and impact of the bond proceeds. As at 31st March, the Issuer has allocated about 97.4% of the bond proceeds of the UU2 bond to eligible projects and 1.7% of the proceeds is kept as cash reserve. The unallocated proceeds (0.9% of the bond proceed) are being held in a money market investment account in line with the Framework.

During the assurance process, IBIS reviewed a sample of loans to which the proceeds of the UU2 social bond was allocated. The review ensured that the selected loans adhered to the eligibility criteria in the Framework while supporting appropriate use of proceeds. IBIS further reviewed several impact indicator samples to evaluate the accuracy of the impact reporting metrics.

The findings were positive and showed that the Issuer adhered to the requirements of the Framework. The sampling process reinforces transparency and accountability in the allocation of the proceeds and the reported impacts.

The bond proceeds allocation reporting is detailed below.

TOTAL NET PROCEEDS AS AT 31ST MARCH 2025

Note	JSE Listing Code	Note Amount (ZAR Mn)	Percentage Contribution (%)
ZAG000208737	UU2A01	181.00	13.0
ZAG000211814	UU2A04	140.00	10.1
ZAG000208778	UU2A02	193.00	13.9
ZAG000211822	UU2A05	279.00	20.1
ZAG000208752	UU2B01	80.00	5.8
ZAG000211830	UU2B02	159.00	11.4
ZAG000208760	UU2C01	63.00	4.5
ZAG000211848	UU2C02	84.00	6.0

ZAG000208745	UU2D01	56.00	4.0
ZAG000211855	UU2D02	50.00	3.6
Total proceeds from notes raised by UU2 Bond		1,285.00[1]	92.5
Subordinated loan from TUHF Holdings		104.50	7.5
Total Funding		1,389.50	100
Total Assets at 31st March 2025			
Balance of Loans as at March 31st 2025 (Less Unallocated Proceeds + Reserves)		1,353.22	97.4
Unallocated Proceeds		11.94	0.9
Total Proceeds Available for Allocation		1,365.16	
Arrears Reserves[2]		24.19	1.7
Total Asset as 31st March 2025		1,389.35	100

ALLOCATION REPORTING

As at 31st March, TUHF has allocated 97.4% of the bond proceeds (which is about 99% of the bond proceeds available for allocation) to eligible projects.

The allocation report is detailed below:

Loan Allocation Breakdown	Number of Loans	Total Facility (ZAR 'Mn)	Total Outstanding Value (ZAR 'Mn')	Percentage of Total Loan Allocation (%)[3]
Total Facility	248	1,621.28	1,353.22	99.1
Unallocated Proceeds			11.94	0.9
Total Proceeds Available			1,365.16	100
Total Loans to SMEs	246	1,584.97	1,319.26	96.6

1 This includes a pre-funding of R142.2Mn of which R130.3Mn has been allocated to eligible assets as at 14th March 2025. This means the Issuer has an unallocated proceed of R11.9Mn

2 The structure maintains a minimum cash balance for arrears reserves

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

Total Loans to Women owned SMEs	30	171.70	151.07	11.1
Total Loans to PDIs[4]	162	1,069.49	799.69	55.6
New Financed Loans	156	883.11	738.22	54.6
Refinanced Loans	92	739.04	615.00	45.4

Impact Reporting

The Issuer has carefully selected impact indicators for these eligible loans, aligning with the best market practices and adhering to the ICMA Harmonized 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 covering the disclosed impacts on affordable housing employment generation, socioeconomic advancement and empowerment. The table below provides a detailed breakdown of the reported impacts on selected indicators.

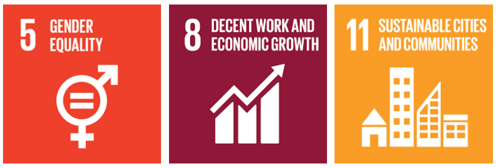
Affordable Housing	
Number of affordable housing units financed	7,571
Number of buildings financed	248
Minimum number of people housed	18,927
Contribution to local municipalities' property rates and utilities	R113, 832, 307.24
Employment Generation	
Number of permanent jobs created	129
Number of short-term jobs created	108
Number of previously disadvantaged SMEs financed (backed)	162
Socio Economic Advancement and Empowerment	
Number of SMEs financed (backed)	246
Number of loans issued to PDI SMEs	162
Value of loans issued to PDI SMEs	R799,693,400.31
Number of loans issued to women owned SMEs	30
Value of loans issued to women owned SMEs	R151,074,259.03
% of loan book to women owned SMEs	11%
Number of previously disadvantaged individuals trained (TPPE)	22
Number of previously disadvantaged individuals mentored	20
Demographics Data	
Asian	24
Black	127

4 This includes loans to Asians, Blacks, and Coloureds.

Coloured	11
White	82
N/A	4
Total Demographics - Race	**248**
Male	218
Female	30
Total Demographics - Gender	**248**

Sustainability Quality

Based on the sustainability quality assessment of the use of proceeds and utilizing ICMA's high-level mapping to the Sustainable Development Goals (SDGs), IBIS has determined that the Issuer's focused project category could potentially make a positive and direct contribution to 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.

Assurance Conclusion

We believe that the information provided by the Issuer, and the work performed by IBIS 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 2 Social Bond**, thereby aligning with the requirements of the Social Bond Principles (June 2023).

IBIS also confirms that this aligns with the requirements of section 6.80 of the JSE Debt Listing Requirements.

Petrus Gildenhuys

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20 June 2025

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