

## **GEN – General – TUHF Limited**

### **Censure imposed by the JSE on TUHF Limited (“TUHF” or “Issuer”)**

The JSE hereby informs stakeholders of the following findings in respect of the Issuer:

1. The Issuer listed its Senior Secured Floating Rate Notes (“**series 2A notes**”) on the JSE with effect from 24 January 2020 in terms of TUHF’s ZAR1,000,000,000 Domestic Medium Term Note Programme.

#### Financial covenants

2. The terms and conditions of the applicable pricing supplement for the series 2A notes included specific provisions relating to the security pool financial covenants and TUHF Group financial covenants and required the Issuer to measure these covenants quarterly on 30 March, 30 June, 30 September and 31 December of each year.
3. In accordance with paragraphs 6.4, 6.5 and 6.6 of the Debt Listings Requirements, if there are any financial covenant clauses stated in a placing document or pricing supplement, such covenant information must be calculated as specified in the placing document or pricing supplement and must be released on SENS in accordance with the measures and notification timelines specified.
4. However, the Issuer failed to perform the calculations and measurements on the covenants for the quarterly periods ended 30 June 2020, 30 September 2020 and 31 December 2020 in accordance with the timelines specified in the applicable pricing supplement and consequently, the SENS announcements were not published within the timelines specified for the relevant measurement periods as required in paragraphs 6.4, 6.5 and 6.6 of the Debt Listings Requirements. The Issuer belatedly published the SENS announcement containing the information relevant to the financial covenants on 11 June 2021.
5. Accordingly, the JSE found the Issuer to be in breach of the provisions of paragraphs 6.4, 6.5 and 6.6 of the Debt Listings Requirements in respect of the late announcement of the financial covenant information.

Credit ratings

6. On 18 December 2020, GCR Ratings Agency downgraded the Issuer's national scale long-term Issuer rating to BBB<sub>(ZA)</sub> from BBB<sub>(ZA)</sub> and affirmed the South African short term Issuer rating of A3<sub>(ZA)</sub>.
7. Paragraph 6.8 of the Debt Listings Requirements requires issuers to publish any amendments to the credit rating obtained by the Issuer together with the previous rating on SENS within one business day of receipt by the issuer of the amendments to the credit rating and the JSE must also be informed. The Issuer only notified the JSE and published details of the credit rating downgrade on SENS on 7 May 2021.
8. Accordingly, the JSE found the Issuer to be in breach of the provisions of paragraph 6.8 of the Debt Listings Requirements in respect of the late announcement of the credit rating.
9. Interest rate issuers have a duty to comply with the Debt Listings Requirements at all times. Compliance with the Listings Requirements is aimed at, but not limited to, investor protection and investor confidence. To aid in this objective of transparency and a trusted marketplace, SENS announcements must be published timeously and within the required timeframes of the Debt Listings Requirements to ensure that investors and potential investors receive relevant and important information relating to an issuer. The JSE finds it unacceptable that TUHF failed to publish important SENS announcements on four separate occasions, in conflict with the Debt Listings Requirements.
10. With reference to the JSE's findings of breach, the JSE has decided to impose a public censure on TUHF as a result of its failure to comply with a number of important provisions of the Debt Listings Requirements. TUHF removed the listing of its series 2A notes on the JSE with effect from 30 July 2021 and the Issuer's Programme Memorandum was deregistered from the JSE with effect from 3 August 2021. The transgressions referred to above occurred whilst TUHF's series 2A notes were listed on the JSE.

25 January 2022