CareEdge South Africa's Criteria on Issuer Ratings

[Issued in December 2025]

1. Background

CARE Ratings South Africa (Pty) Limited (CARE SA) Issuer Rating (IR) is an issuer-specific assessment of the credit risk. While the scope of IR is broadly similar to the instrument rating, the main difference between IR and other instrument rating is that IR is not instrument-specific but issuer-oriented. IR factors the expected performance of the entity over a medium-term time horizon of around three years and indicates the degree of safety of the rated entity regarding timely servicing of its debt obligations. Once accepted, the rating is subject to periodic reviews. If the rated entity wishes to get the IR withdrawn, it is required to provide a written request to CARE SA for withdrawal of the rating, and CARE SA shall withdraw the rating as per CARE SA Withdrawal Policy available on CARE SA website www.careedgesouthafrica.com. For rating symbols and definitions of IR, please refer to CARE SA website www.careedgesouthafrica.com.

2. Methodology

2.1 Manufacturing / Trading / Services / Infrastructure Companies / Public Finance

The methodology mainly focuses on the risks that could impact an entity's future cash generation capability and consequently its ability to honour its debt obligations. The evaluation for undertaking IR of manufacturing / trading / services / public finance / infrastructure entities is similar to the methodology applied for conventional credit rating. Please refer to CARE SA website www.careedgesouthafrica.com for the respective methodologies:

- Rating Methodology – Manufacturing Companies
- Rating Methodology – Wholesale Trading
- Rating Methodology – Service Sector Companies
- Rating Methodology – Infrastructure Sector Ratings

Sector-specific methodologies shall also be referred to while assigning IR to an entity belonging to a particular sector. CARE SA sector-specific methodologies / criteria are available on www.careedgesouthafrica.com.

2.2 **Banks, Financial Institutions and NBFCs**

IR of banks, Non-Bank Financial Institutions (NBFIs), National Housing Finance Corporation (NHFCs) or financial institutions (FIs) depends upon a range of quantitative and qualitative factors, and the methodology adopted would be similar to CARE SA methodology on rating banks / NHFCs / NBFIs / insurance sector, etc., which are available on CARE SA website www.careedgesouthafrica.com.

The IR process is ultimately an assessment of the fundamentals of an entity (including its ability and willingness to service the debt obligations in a timely manner) and the probability of changes in such fundamentals. Rating determination is a matter of experienced and holistic judgment of the Rating Committee based on the relevant quantitative and qualitative factors affecting the credit quality of the issuer.

[Reviewed in December 2025. Next Review due in December 2026]

Contact

Saurav Chatterjee	Director & Chief Executive Officer	saurav.chatterjee@careratingsafrica.com	+ 230 5862 6551 / 5955 3060
Vidhyasagar Lingesan	Chief Rating Officer	vidhya.sagar@careratingsafrica.com	+ 230 5273 1406 / 5955 3060
Mradul Mishra	Media Relations	mradul.mishra@careedge.in	+91 - 22 - 6754 3596

Care Ratings South Africa (PTY) Limited

Registered Address: 1st Floor, 35 Ferguson Road, Illovo, Sandton, 2196, Johannesburg, South Africa
Business Address: Spaces Atrium on 5th, 9th Floor, 5th Street, Sandton, 2196, Johannesburg, South Africa
FSC License No.: CRA007

About Us:

CARE Ratings South Africa (Pty) Limited (CareEdge South Africa) is incorporated in 2023 to provide credit ratings and related services in South Africa. CARE SA is a wholly owned subsidiary of CARE Ratings Africa (Private) Limited (CareEdge Africa), which is a part of CareEdge Group based in India. In October 2024, CareEdge South Africa has received its license from the Financial Sector Conduct Authority (FSCA) of South Africa. CARE SA provides Ratings of various instruments such as Bonds, Money Market Instruments, Bank Deposits, Structured Finance and Bank Facilities. CareEdge South Africa also does Issuer Rating (Banks, Corporates, NBDTIs & Insurance companies). Please visit CareEdge South Africa website - https://www.careedgesouthafrica.com.

About CareEdge Group

CARE Ratings Ltd. (CareEdge Ratings)

CareEdge Ratings, based out of India and the parent company of the CareEdge group, was incorporated in 1993 and is the one of the largest Credit Rating Agency (CRA) of India and features amongst the top ten credit rating agencies globally. Since inception, CareEdge Ratings has rated USD 2.5 trillion worth of debt and has undertaken over 95,000 rating assignments which includes ratings of large, mid and small corporates as also sub sovereign and state utility companies. Please visit CareEdge website - https://www.careratings.com.

CARE Ratings (Africa) Private Limited

In the quest of supporting the development of capital market in African Union, CareEdge Group has set up the first rating agency of Mauritius - CARE Ratings (Africa) Private Limited (CareEdge Africa) in 2014, which is licensed by Financial Services Commission of Mauritius and Capital Markets Authority of Kenya. CareEdge Africa is also recognised by the Bank of Mauritius as External Credit Assessment Institution (ECAI). CareEdge Africa's shareholders are CARE Ratings, India (CARE Ratings), African Development Bank (AfDB), MCB Equity Fund (MEF) and SBM (NFC) Holdings Limited (SNHL). Please visit CARE Ratings Africa website - https://www.careratingsafrica.com.

Disclaimer for Rating Methodology

The rating methodology provided by CARE Ratings South Africa (Pty) Limited ("CARE SA") is intended to offer a comprehensive framework for assessing creditworthiness. The rating methodology is based on various quantitative and qualitative factors, and while it aims to provide a consistent and objective approach, it is not infallible.

CARE SA publishes its rating methodologies in its website at https://www.careedgesouthafrica.com/criteria_methodologies. Along with this, CARE SA publishes its various criteria and policies on code of conduct, conflict of interest, rating process, in our website and update the same from time to time.

This rating methodology has been made available on the website solely for informational purposes, and no part of this methodology should be used, copied, reproduced, distributed without the prior consent of CARE SA or without appropriate credit being given to CARE SA. This methodology, in whole or in part, shall not be modified, reverse engineered in any form and shall not be used for obtaining any commercial gains or for any unauthorised or unlawful purpose. No part of this methodology or report shall be construed as any accounting, legal, regulatory, tax, research, or investment advice.

Ratings are statements of opinion and not statements of fact. Ratings are opinions as on date they are issued and are subject to change based on new information or changes in the market environment. They do not constitute recommendations to buy, hold, or sell any securities or make any investment decisions. Ratings should not be the sole basis for any investment decision. Ratings are not substitutes for professional judgment in investment decisions, and users should rely on their own judgment and seek professional advice before making any financial decisions. All opinions expressed are in good faith, based on the information available at the time of the rating. These opinions are subject to change without notice. The methodology and resulting ratings are not solicitations to engage in any transaction with the entities rated. CARE SA does not act as a fiduciary, investment advisor or in the interest of the issuer or issuances it rates.

While CARE SA has obtained information from sources it believes to be reliable, CARE SA does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives and/or relies on in its reports. CARE SA is not liable for any errors or omissions in the methodology or for any actions taken based on the ratings. CARE SA does not guarantee the accuracy, completeness, or adequacy of the methodology or the resulting ratings. CARE SA and its associates disclaim all liability for any damages arising from the use of its methodology, reports or any rating actions. ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE DISCLAIMED. In no event shall CGIL or its affiliates be liable for any direct, indirect, incidental, punitive, or consequential damages arising from the use of the rating methodology or the ratings.

CARE SA may receive compensation for providing credit ratings from issuers or underwriters of securities or obligors. CARE SA reserves the right to disseminate its reports which may include its opinions, assessments, analysis or research on its websites, various CARE SA publications or third-party distributors. CARE SA maintains strict confidentiality of non-public information received during the rating process and has policies to maintain confidentiality of data it receives.

By using this rating methodology, you acknowledge and agree to these terms and conditions.