

NQABA FINANCE 1 (RF) LIMITED

**INVESTOR REPORT
23 MAY 2018 TO 22 AUGUST 2018**

Debt Capital Markets

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Investor Report
for the period ending 22 August 2018

Index	Page
Disclaimer	1
Counterparties and salient information	2
Assets:	
Collateral portfolio characteristics	3
Possessions	3
Related portfolio covenants	3
Related early amortisation event triggers	3
Portfolio stratification tables	4
Arrears analysis	7
Arrears reserve trigger	7
Early amortisation arrears trigger	7
Movement in properties classified as Litigations	7
Provisioning	7
Trends	8
Liabilities:	
Cumulative Note details	11
Note interest calculations	12
Interest swap calculations	12
Liquidity and redraw facilities	12
Early amortisation events (summary)	12
Principal deficiency ledger	13
Reserve funds	13
Cash flow statement	14
Priority of payments	14
Financial:	
Abridged statements of comprehensive income and financial position	15
Excess spread	15
Glossary	
Abridged glossary of definitions	16

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NQABA FINANCE 1 (RF) LIMITED

Counterparties and salient information

Issuer	Nqaba Finance 1 (RF) Ltd (Nqaba)	Financial year end: 31 March		
Issuer Owner Trust	Nqaba Finance 1 Owner Trust (Trustee: Maitland Trustees (Pty) Ltd)			
Security SPV	Nqaba Finance 1 Security SPV (Pty) Ltd			
Security SPV Owner Trust	Nqaba Finance 1 Security SPV Owner Trust (Trustee: Maitland Trustees (Pty) Ltd)			
Programme manager	Absa Corporate and Investment Bank (Absa CIB) (a division of Absa Bank Ltd (Absa)) ¹			
Back-up servicer	Absa Home Loans (a division of Absa)			
Rating agency	Moody's Investors Service Inc	Moody's ratings		
Originator and Seller	Eskom Finance Company SOC Limited (EFC) ²	Required	Current	Breach
Borrowers' employer	Eskom Holdings SOC Limited (Eskom)	Baa3.za	A2.za	No
Liquidity and redraw facility provider	Absa CIB	A1.za/P-2.za	Aa1.za	No
Account bank	Absa	A1.za/P-2.za	Aa1.za	No
Guaranteed Investment Contract (GIC) provider	Absa CIB	A1.za/P-2.za	Aa1.za	No
Swap provider (Derivative counterparty)	Absa CIB	A1.za/P-2.za	Aa1.za	No

¹ Absa CIB is also the Lead Arranger, Dealer, Administrator, Calculation Agent and Debt Sponsor

² EFC is also the Servicer and Subordinated Lender

Currency	South African Rand (ZAR or R)
Transaction type	Traditional Securitisation (Revolving)
Transaction close date	31/05/2006
Programme size	R5,000,000,000
Outstanding Notes	R 1 660 000 000
Note profile	Interest only; bullet redemption
Subordinated loan	R 290 000 000
Interest payment dates	22nd day of February, May, August and November
Business day convention	Succeeding business day
Day count	Actual 365
Current interest accrual period	23 May 2018 to 21 August 2018 (92 days inclusive)
Current interest payment date	22/08/2018
Next interest payment date	22/11/2018
Asset class	Residential Mortgage Backed Securities in an evergreen revolving structure
Repayment type	Fully amortising equal monthly interest and principal payments
Current collection period	01 May 2018 to 31 July 2018 (92 days)
Current determination date	31/07/2018

Transaction overview

The collateral home loans comprise amortising loans originated by EFC to direct employees of Eskom and a limited number of loans to employees of other Eskom group companies. The loans are advanced to borrowers for the purchase of immovable residential property (including Sectional Title property) situated in South Africa, against the security of mortgage bonds registered over the properties in favour of the Home Loan Lender (initially the Seller, subsequently the Issuer). Most loan payments are subsidised by Eskom and are serviced through salary deductions. In the revolving period, qualifying home loans are purchased each month from EFC to top up the asset pool.

Note that substitutions are not allowed in terms of South African securitisation legislation as the Issuer is not a Bank.

NB: Please refer to the Transaction Documents, including the Applicable Pricing Supplements, for full details.

NQABA FINANCE 1 (RF) LIMITED

Collateral portfolio characteristics

	Current period 01/05/2018 to 31/07/2018		Previous period 01/02/2018 to 30/04/2018		Transaction close 31/05/2006	
	R	Loans	R	Loans	R	Loans
Balance brought forward	1,905,842,554	7,105	1,925,813,684	7,191	-	-
Instalments received	(64,787,447)		(65,086,999)			
Interest charged	46,220,016		45,338,741			
Insurance charged	531,187		522,401			
Valuation fees	158,380		80,039			
Principal repaid	(17,877,863)		(19,145,818)			
Unscheduled repayments (prepayments)	(49,791,691)	(149)	(45,924,728)	(154)		
Total Principal collections	(67,669,555)		(65,070,546)		-	
New loans purchased	60,494,430	155	23,614,855	68	1,370,652,558	8,382
Advances and redraws	22,685,436		21,570,803			
Loan losses written off	(70,390)		(86,242)			
Loan losses recovered	-		-			
Interest adjustments	-		-			
Balance at end of period	1,921,282,475	7,111	1,905,842,554	7,105	1,370,652,558	8,382
Original value of loans advanced	2,258,124,916		2,204,873,221			
Latest current valuations of properties	4,588,720,913		4,563,572,429			
Weighted average number of months since last valuation	86		85			
Indexed values of properties	8,325,668,000		8,386,362,000			
Weighted average seasoning (months)	131		130		65	
Weighted average term to maturity (months)	209		210		261	
Largest asset value	4,192,678		4,192,678		N/A	
Months in the period	3		3		Since transaction close	
Loan book balance used as denominator for CPR and DR percentages below	1,905,842,554		1,925,813,684		146	
Prepayments	49,791,691		45,924,728		1,905,842,554	
Annualised constant prepayment rate (CPR)	10.5%		9.5%		1,980,757,884	
Loan losses	70,390		86,242		8.5%	
Annualised default rate (DR)	0.015%		0.018%		6,800,138	
					0.029%	

Possessions

	Current period 01/05/2018 to 31/07/2018		Previous period 01/02/2018 to 30/04/2018	
	R	Loans	R	Loans
Possessions at start of period	432,000	2	1,018,242	3
Changes	-	-	(586,242)	(1)
Possessions at end of period	432,000	2	432,000	2

Related portfolio covenants

The Issuer may purchase additional home loans in terms of the home loan sale agreement if, immediately following such acquisition on the relevant transfer date, the following portfolio covenants are satisfied:

	Current period 01/05/2018 to 31/07/2018		Previous period 01/02/2018 to 30/04/2018		Transaction close 31/05/2006	
	Required	Actual	Required	Actual	Required	Actual
Weighted average Original Loan to Value (%)	=< 91.0	89.4	=< 91.0	89.2	=< 93.6	92.5
Weighted average Current Loan to Value (%)	=< 73.0	66.9	=< 73.0	66.6	=< 76.5	75.9
Weighted average Payment to Income (%)	=< 18.0	12.2	=< 18.0	12.1	=< 17.4	16.5
Minimum payroll deduction (number) (%)	=> 92.0	93.5	=< 92.0	93.5	=< 97.0	100.0
Maximum second property loans (number) (%) ¹	=< 8.5	2.5	=< 8.5	2.4	=< 7.5	1.5
Minimum direct Eskom employees (number) (%)	=> 86.0	91.4	=> 86.0	91.5	=> 85.0	100.0
Average outstanding balance	=< R 300 000	R 270 185	=< R 300 000	R 268 240	=< R300 000	R 163,523

¹ Includes second property loans in EFC loanbook

Result: No portfolio covenants have been breached; issuer may purchase additional home loans

Related early amortisation events

1. If the Required Interest Margin on both tests on interest payment date as determined below, is not achieved:

	Current period 01/05/2018 to 31/07/2018		Previous period 01/02/2018 to 30/04/2018		Transaction close 31/05/2006	
	Required	Actual	Required	Actual	Required	Actual
12 month rolling average rates:						
Weighted average home loan rate		9.67%		9.80%		
3 month Jibar daily rate		7.00%		7.10%		
Margin	=> 2.15%	2.67%	=> 2.15%	2.70%		
And						
Current actual rates at interest payment date:						
Weighted average home loan rate		9.52%		9.51%		9.64%
3 month Jibar rate		6.90%		7.13%		7.70%
Margin	=> 2.15%	2.62%	=> 2.15%	2.38%	=> 1.8%	1.94%

2. If the weighted average current Loan to Value ratio exceeds the required weighted average Current Loan to Value ratio by more than 10%:

	Current period 01/05/2018 to 31/07/2018		Previous period 01/02/2018 to 30/04/2018	
	Required	Actual	Required	Actual
Weighted average Current Loan to Value (%)	=< 83.0	66.9	=< 83.0	66.6

Result: No early amortisation events have occurred

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/07/2018

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning Months	Weighted average term to maturity Months
	R	%	R	%	R	%	R	%	%	Months	Months
Original Loan to Value											
0% - 30%	36,326,058	1.9%	209	2.9%	182,278,011	40.6%	314,006,000	32.1%	9.7%	186	142
30% - 50%	68,478,758	3.6%	330	4.6%	306,520,000	44.8%	519,673,000	37.0%	9.6%	171	163
50% - 70%	165,777,502	8.6%	623	8.8%	522,774,978	50.8%	867,131,000	40.7%	9.4%	130	184
70% - 80%	177,932,660	9.3%	529	7.4%	441,584,622	59.4%	774,250,000	47.0%	9.4%	114	212
80% - 90%	298,686,076	15.5%	760	10.7%	587,440,889	71.9%	1,034,719,000	58.6%	9.4%	95	237
90% - 100%	513,904,974	26.7%	2,183	30.7%	1,281,590,742	66.7%	2,610,667,000	49.3%	9.5%	136	206
100%+	660,176,446	34.4%	2,477	34.8%	1,266,531,671	74.4%	2,205,222,000	54.7%	9.7%	140	213
Total	1,921,282,475	100.0%	7,111	100.0%	4,588,720,913	66.9%	8,325,668,000	50.9%	9.5%	131	209
Weighted average		89.4%									
Current Loan to Value											
0% - 30%	214,933,722	11.2%	3,155	44.4%	2,010,025,172	19.3%	4,537,431,000	13.3%	9.5%	208	111
30% - 50%	264,325,244	13.8%	958	13.5%	663,873,025	40.7%	1,058,963,000	29.3%	9.4%	172	158
50% - 70%	458,223,882	23.8%	1,060	14.9%	755,442,071	61.2%	1,131,049,000	45.2%	9.4%	138	199
70% - 80%	331,814,327	17.3%	619	8.7%	442,059,163	75.2%	617,390,000	57.6%	9.3%	105	241
80% - 90%	371,808,481	19.4%	717	10.1%	436,670,305	85.2%	612,808,000	64.1%	9.5%	92	252
90% - 100%	214,614,910	11.2%	492	6.9%	228,134,678	94.2%	312,735,000	70.3%	9.7%	93	264
100%+	65,561,910	3.4%	110	1.5%	52,516,500	132.2%	55,292,000	128.4%	11.3%	124	239
Total	1,921,282,475	100.0%	7,111	100.0%	4,588,720,913	66.9%	8,325,668,000	50.9%	9.5%	131	209
Payment to income ratio											
0% - 5%	265,773,663	13.8%	3,012	42.4%	1,635,993,269	46.7%	4,084,382,000	28.0%	9.0%	174	179
5% - 10%	559,022,121	29.1%	1,927	27.1%	1,233,934,135	60.5%	1,931,385,000	43.5%	9.3%	149	198
10% - 15%	509,443,272	26.5%	1,181	16.6%	867,397,548	70.6%	1,191,568,000	54.1%	9.6%	121	214
15% - 20%	347,625,030	18.1%	615	8.6%	523,189,779	76.2%	717,245,000	61.1%	9.7%	105	226
20% - 25%	151,508,869	7.9%	243	3.4%	211,907,099	79.3%	269,545,000	66.4%	10.0%	94	239
25% - 30%	64,288,428	3.3%	90	1.3%	88,413,084	82.6%	102,156,000	73.7%	10.2%	86	244
30%+	23,621,093	1.2%	43	0.6%	27,886,000	103.9%	29,387,000	101.6%	11.4%	144	201
Total	1,921,282,475	100.0%	7,111	100.0%	4,588,720,913	66.9%	8,325,668,000	50.9%	9.5%	131	209
Weighted average		12.2%									

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/07/2018

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning Months	Weighted average term to maturity Months
	R	%	R	%	R	%	R	%	%	Months	Months
Payment method											
Payroll Deduction	1,766,579,919	91.9%	6,650	93.5%	4,310,323,936	65.1%	7,973,682,000	48.2%	9.4%	128	211
Other	154,702,556	8.1%	461	6.5%	278,396,977	87.3%	351,986,000	81.3%	11.4%	157	196
Total	1,921,282,475	100.0%	7,111	100.0%	4,588,720,913	66.9%	8,325,668,000	50.9%	9.5%	131	209
Borrower employment status											
Direct Eskom	1,714,709,733	89.2%	6,499	91.4%	4,207,209,915	64.9%	7,787,142,000	48.1%	9.3%	129	210
Other group co.	206,572,743	10.8%	612	8.6%	381,510,998	83.1%	538,526,000	74.3%	11.0%	142	206
Total	1,921,282,475	100.0%	7,111	100.0%	4,588,720,913	66.9%	8,325,668,000	50.9%	9.5%	131	209
Loan balance (R'000)											
0 - 100	87,284,930	4.5%	2,734	38.4%	1,304,657,824	22.1%	3,446,013,000	11.4%	9.7%	230	91
100 - 200	151,788,519	7.9%	1,031	14.5%	537,662,720	41.2%	1,008,025,000	24.2%	9.6%	196	138
200 - 300	201,595,829	10.5%	807	11.3%	456,880,612	56.7%	727,297,000	38.0%	9.6%	156	183
300 - 400	252,429,341	13.1%	722	10.2%	449,456,503	67.3%	660,584,000	48.3%	9.6%	133	209
400 - 500	257,570,518	13.4%	575	8.1%	407,921,918	73.1%	584,594,000	54.0%	9.6%	120	226
500 - 700	410,920,904	21.4%	697	9.8%	611,242,703	74.9%	815,406,000	58.8%	9.6%	116	231
700 - 1000	288,483,849	15.0%	352	5.0%	422,783,270	75.8%	558,848,000	62.3%	9.4%	107	239
1000 - 1500	175,811,927	9.2%	143	2.0%	255,422,201	73.6%	318,729,000	61.2%	9.1%	92	233
1500+	95,396,660	5.0%	50	0.7%	142,693,163	77.8%	206,172,000	67.2%	9.2%	106	218
Total	1,921,282,475	100.0%	7,111	100.0%	4,588,720,913	66.9%	8,325,668,000	50.9%	9.5%	131	209
Average balance	270,185										
Interest rate											
0% - 8%	4,427,973	0.2%	11	0.2%	4,061,500	119.8%	4,071,000	119.7%	0.0%	162	158
8% - 9.5%	671,628,876	35.0%	1,727	24.3%	1,718,092,930	61.5%	3,059,085,000	45.7%	8.7%	133	201
9.5% - 11.5%	1,167,999,272	60.8%	5,206	73.2%	2,763,717,577	67.4%	5,147,338,000	50.4%	9.8%	127	215
11.5% - 13.5%	77,226,354	4.0%	167	2.3%	102,848,907	103.2%	115,174,000	100.1%	12.9%	156	204
Total	1,921,282,475	100.0%	7,111	100.0%	4,588,720,913	66.9%	8,325,668,000	50.9%	9.5%	131	209

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/07/2018

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning Months	Weighted average term to maturity Months
	R	%	R	%	R	%	R	%	%		
Seasoning											
0 - 12 months	16,854,575	0.9%	31	0.4%	33,061,000	76.6%	33,061,000	76.6%	9.2%	8	260
12 - 24 months	49,675,694	2.6%	74	1.0%	87,544,000	72.6%	87,682,000	72.5%	9.4%	19	289
24 - 36 months	42,726,283	2.2%	73	1.0%	81,046,500	72.2%	85,295,000	68.5%	9.5%	30	285
36 - 48 months	53,684,640	2.8%	78	1.1%	81,587,400	75.7%	91,060,000	68.0%	9.5%	43	271
48 - 60 months	85,073,176	4.4%	126	1.8%	135,386,250	73.5%	163,607,000	61.0%	9.3%	56	254
60 - 120 months	824,986,066	42.9%	1,857	26.1%	1,306,914,570	77.6%	1,770,479,000	58.6%	9.6%	91	240
120+ months	848,282,041	44.2%	4,872	68.5%	2,863,181,194	54.4%	6,094,484,000	38.6%	9.5%	196	162
Total	1,921,282,475	100.0%	7,111	100.0%	4,588,720,913	66.9%	8,325,668,000	50.9%	9.5%	131	209
Region											
Eastern Cape	96,855,558	5.0%	335	4.7%	229,936,287	71.9%	337,553,000	55.9%	9.8%	142	204
Free State	93,257,760	4.9%	383	5.4%	212,911,102	68.4%	342,778,000	51.5%	9.6%	124	218
Gauteng	786,633,049	40.9%	2,355	33.1%	1,817,773,872	65.2%	3,038,580,000	49.9%	9.4%	127	211
Kwazulu Natal	110,984,130	5.8%	479	6.7%	290,781,130	67.6%	546,659,000	51.5%	9.7%	144	201
Limpopo Province	73,276,774	3.8%	322	4.5%	170,041,387	65.4%	275,409,000	47.8%	9.7%	132	207
Mpumalanga	429,629,473	22.4%	1,909	26.8%	993,814,308	67.4%	1,916,653,000	51.4%	9.6%	131	208
North West	37,230,518	1.9%	180	2.5%	72,952,162	72.1%	161,985,000	50.2%	9.6%	134	205
Northern Cape	26,062,739	1.4%	158	2.2%	73,239,503	67.2%	141,610,000	49.9%	9.8%	131	208
Western Cape	267,352,475	13.9%	990	13.9%	727,271,161	67.9%	1,564,441,000	51.8%	9.6%	132	212
Total	1,921,282,475	100.0%	7,111	100.0%	4,588,720,913	66.9%	8,325,668,000	50.9%	9.5%	131	209
Property type											
House (Freehold)	1,582,368,358	82.4%	6,067	85.3%	3,878,408,135	65.8%	7,130,434,000	50.0%	9.5%	136	204
Multi-unit (Sectional Title)	263,280,783	13.7%	856	12.0%	471,500,178	75.4%	821,213,000	57.0%	9.5%	108	239
House (Complex)	7,961,320	0.4%	19	0.3%	15,905,000	62.2%	25,014,000	44.0%	9.5%	135	204
Small Holding	4,023,696	0.2%	14	0.2%	11,245,000	51.4%	17,554,000	35.1%	9.7%	123	177
Other	63,648,319	3.3%	155	2.2%	211,662,600	58.3%	331,453,000	48.9%	9.2%	100	220
Total	1,921,282,475	100.0%	7,111	100.0%	4,588,720,913	66.9%	8,325,668,000	50.9%	9.5%	131	209

NQABA FINANCE 1 (RF) LIMITED

Arrears analysis at determination date

	31/07/2018			30/04/2018						
	Loan balances R	%	Number of loans %	WA interest rate %	Loan balances R	%	Number of loans %	WA interest rate %		
Fully performing										
Current	1,823,241,379	94.9%	6,834	96.1%	9.4%	1,797,971,050	94.3%	6,790	95.6%	9.4%
Non-delinquent										
0 - 1 months	14,550,741	0.8%	39	0.5%	11.4%	11,462,103	0.6%	28	0.4%	11.7%
1 - 2 months	7,042,527	0.4%	24	0.3%	11.9%	4,750,099	0.2%	27	0.4%	11.7%
2 - 3 months	8,653,077	0.5%	21	0.3%	12.4%	4,831,911	0.3%	11	0.2%	12.0%
Total	30,246,345	1.6%	84	1.2%	11.8%	21,044,113	1.1%	66	0.9%	11.8%
Deteriorated										
3 - 4 months	-	0.0%	-	0.0%	0.0%	154,257	0.0%	2	0.0%	9.7%
4 - 5 months	1,028,804	0.1%	6	0.1%	11.8%	14,844	0.0%	2	0.0%	11.8%
5 - 6 months	1,333,987	0.1%	3	0.0%	12.6%	132,176	0.0%	2	0.0%	9.8%
6 - 12 months	2,086,178	0.1%	9	0.1%	12.7%	4,602,423	0.2%	15	0.2%	12.3%
>12 months	2,775,652	0.1%	24	0.3%	5.9%	2,913,455	0.2%	21	0.3%	6.8%
Total	7,224,620	0.4%	42	0.6%	9.9%	7,817,155	0.4%	42	0.6%	10.2%
Defaulted										
Litigation	28,338,249	1.5%	48	0.7%	12.5%	27,752,059	1.5%	48	0.7%	12.5%
Other categories										
Debt review	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%
Arrangement	29,543,021	1.5%	96	1.4%	12.6%	48,395,413	2.5%	151	2.1%	12.1%
Third party attachment	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%
Properties sold	2,258,861	0.1%	5	0.1%	0.0%	2,430,764	0.1%	6	0.1%	0.0%
Properties in possession	432,000	0.0%	2	0.0%	0.0%	432,000	0.0%	2	0.0%	0.0%
Total	32,231,882	1.7%	103	1.4%	11.5%	51,258,177	2.7%	159	2.2%	11.4%
Total	1,921,282,475	100.0%	7,111	100.0%	9.5%	1,905,842,554	100.0%	7,105	100.0%	9.5%

Arrears reserve trigger

An arrears reserve trigger event shall occur on any determination date where the aggregate principal balances of home loans (i) which are in arrears for more than 3 months; and/or (ii) in respect of which the Issuer has instituted legal proceedings for the recovery of amounts owing, exceeds 2.5% of the aggregate principal balances of the home loans and shall cease when such percentage reduces to 1.5%;

		31/07/2018 R	30/04/2018 R
Aggregate principal balances on home loans as above	A	1,921,282,475	1,905,842,554
Balances which are in arrears for more than 3 months	B	7,224,620	7,817,155
Balances for which the Issuer has instituted legal proceedings	C	28,338,249	27,752,059
Total arrears for calculation purposes	D = B + C	35,562,869	35,569,214
Arrears %	E = D / A	1.85%	1.87%
Arrears reserve trigger level percentage		2.00%	2.00%
Arrears reserve trigger level value		38,425,650	38,116,851
If arrears % (E) previously exceeded the trigger, check whether arrears have decreased to 1.5%		No	No
Arrears trigger event maintained		Yes	Yes
If Yes, calculation of arrears reserve required:			
Original valuation of the related properties		7,136,768	8,212,054
Latest valuation of the related properties		15,397,500	17,650,500
Balances which are in arrears for more than 3 months	B	7,224,620	7,817,155
60% of the lower of the original valuation and latest valuation	F	4,282,061	4,927,232
Test difference between arrears and conservative value of related properties	G = B - F	2,942,559	2,889,922
Arrears reserve required amount (if value greater, no cash reserve required)	H	2,942,559	2,889,922
Changes in arrears reserve			
Opening balance		-	-
Changes reflected in Priority of Payments		2,942,559	103,758
Closing balance	H	2,942,559	2,889,922

Related early amortisation arrears trigger

		31/07/2018 R	30/04/2018 R
Notes in issue		1,660,000,000	1,660,000,000
Trigger per cent		2.50%	2.50%
Trigger value	I	41,500,000	41,500,000
Total arrears as defined above	D	35,562,869	35,569,214
Headroom (deficit)		5,937,131	5,930,786
Early amortisation arrears trigger event (D > I)		No	No

Movement in properties classified as Litigations

	31/07/2018		30/04/2018	
	No of loans	R	No of loans	R
Opening balance	47	27,752,058	39	23,604,709
Loans exit litigation	-13	(6,497,816)	-3	(1,173,651)
Loans enter litigation	14	5,943,241	11	4,434,313
Repayments		-		(54,465)
Advance		200,455		96,422
Interest		867,504		790,401
Loan losses		-		-
Valuation fees		19,608		6,498
Capitalised insurance		53,198		47,831
Closing balance	48	28,338,249	47	27,752,058

Provisions

Nqaba establishes an allowance for impairment of the loan book that represents its estimate of incurred losses. This allowance consists of a specific loss component that relates to individual exposure and a collective loss component in respect of losses that have been incurred but not yet identified. The provisions are not taken into account in the tables above. The amounts shown in the company's Management Reports are:

	31/07/2018 R	30/04/2018 R
Impairments applied to loan book excluding possessions	9,044,732	9,044,732
Impairments applied to possessions	322,000	322,000
Total impairments	9,366,732	9,366,732

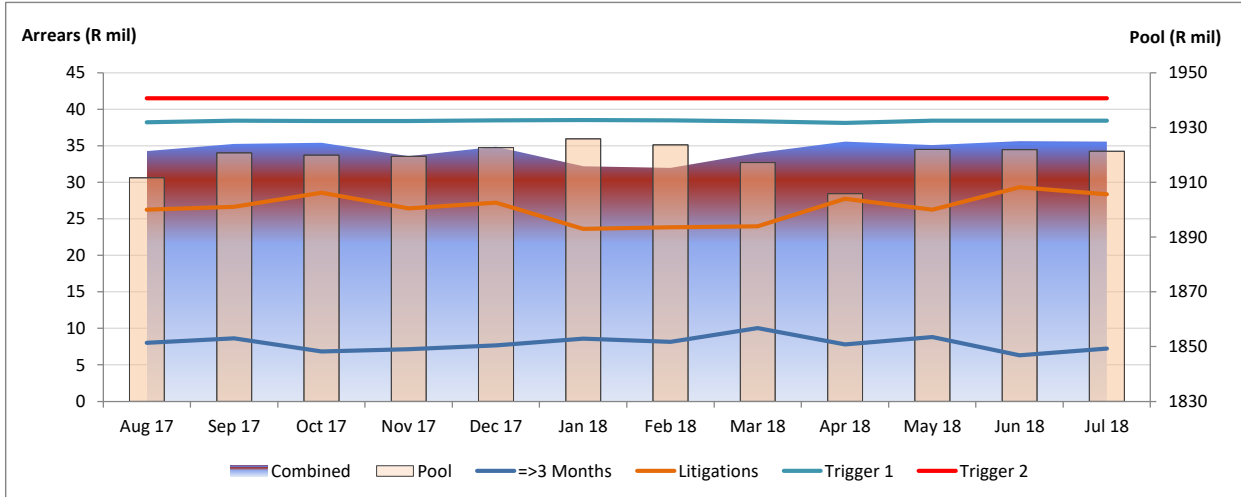
Trends

Arrears analysis (values in R million)

End of:	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18
Pool	1912	1921	1920	1920	1923	1926	1924	1917	1906	1922	1922	1921
Trigger 1 (%)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Trigger 1	38.23	38.42	38.40	38.39	38.45	38.52	38.47	38.34	38.12	38.44	38.44	38.43
=>3 Months	8.01	8.63	6.84	7.14	7.68	8.60	8.14	10.04	7.82	8.82	6.30	7.22
Litigations	26.25	26.63	28.58	26.43	27.21	23.60	23.82	23.98	27.75	26.26	29.34	28.34
Combined	34.26	35.26	35.42	33.57	34.88	32.20	31.96	34.02	35.57	35.08	35.64	35.56
Notes	1660	1660	1660	1660	1660	1660	1660	1660	1660	1660	1660	1660
Trigger 2 (%)	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Trigger 2	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50	41.50
Trigger 2 diff	7.24	6.24	6.08	7.93	6.62	9.30	9.54	7.48	5.93	6.42	5.86	5.94

Trigger 1 (2% of principal balances) = If breached by combined arrears, an arrears reserve is required until arrears decrease to 1.5%

Trigger 2 (2.5% of Notes) = If breached by combined arrears, early amortisation is required

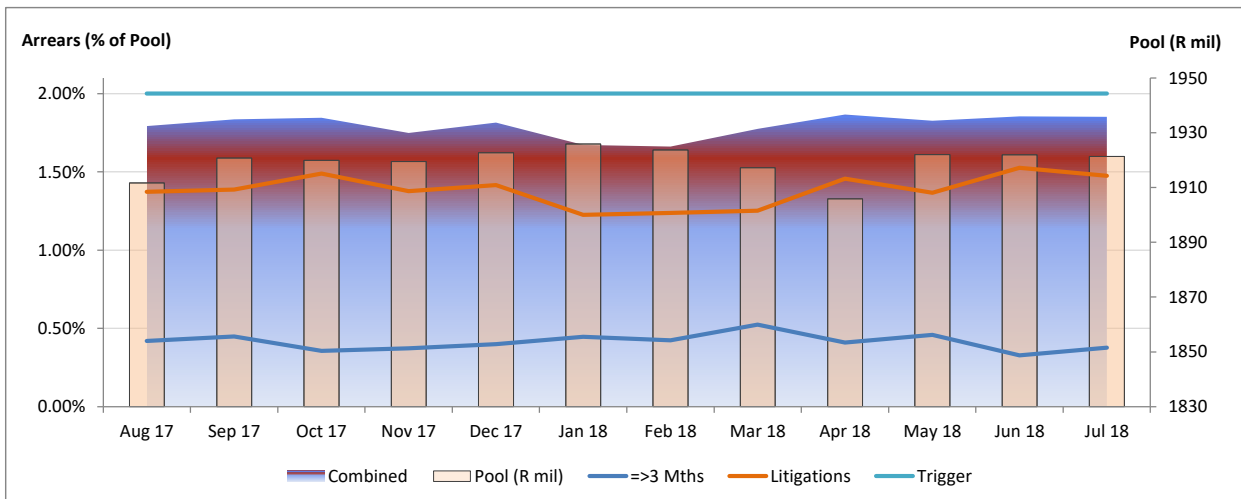


Arrears analysis (percentages)

End of:	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18
Pool (R mil)	1912	1921	1920	1920	1923	1926	1924	1917	1906	1922	1922	1921
=>3 Mths	0.42%	0.45%	0.36%	0.37%	0.40%	0.45%	0.42%	0.52%	0.41%	0.46%	0.33%	0.38%
Litigations	1.37%	1.39%	1.49%	1.38%	1.42%	1.23%	1.24%	1.25%	1.46%	1.37%	1.53%	1.47%
Combined	1.79%	1.84%	1.85%	1.75%	1.81%	1.67%	1.66%	1.77%	1.87%	1.83%	1.85%	1.85%
Trigger	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

Trigger (combined arrears) = If breached, an arrears reserve is required until arrears decrease to 1.5%

The noteholders agreed to increase both triggers, effective 1 May 2017, hence the difference in trigger percentage from May 2017 onwards

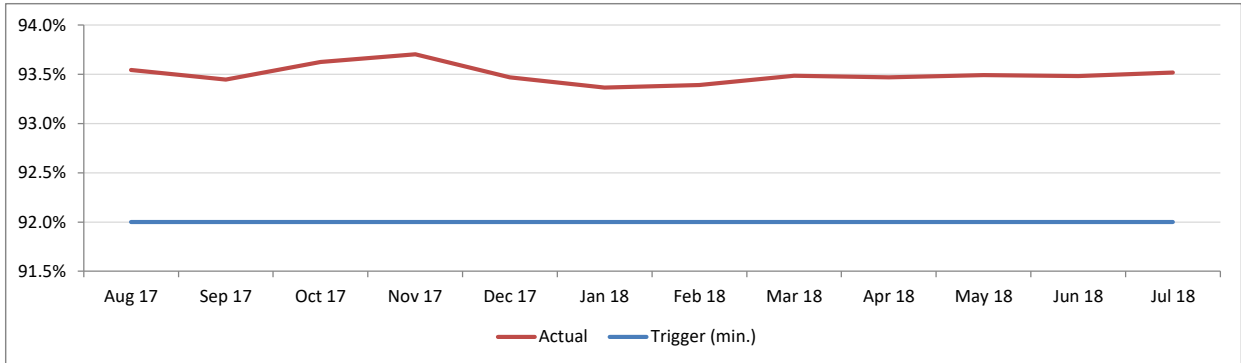


Trends

Payroll Deduction Percentage (number of borrowers)

End of:	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18
Actual	93.5%	93.4%	93.6%	93.7%	93.5%	93.4%	93.4%	93.5%	93.5%	93.5%	93.5%	93.5%
Trigger (min.)	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%

Trigger = If breached, purchase of additional home loans prohibited

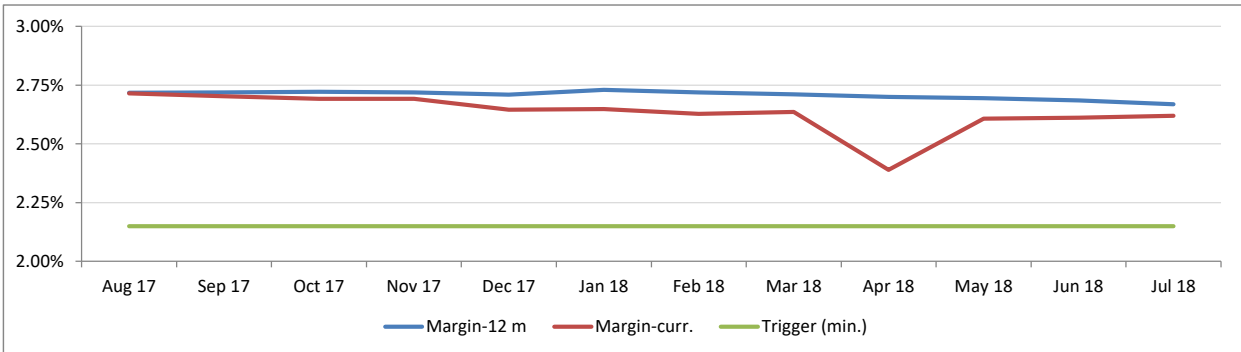


Interest rate margin

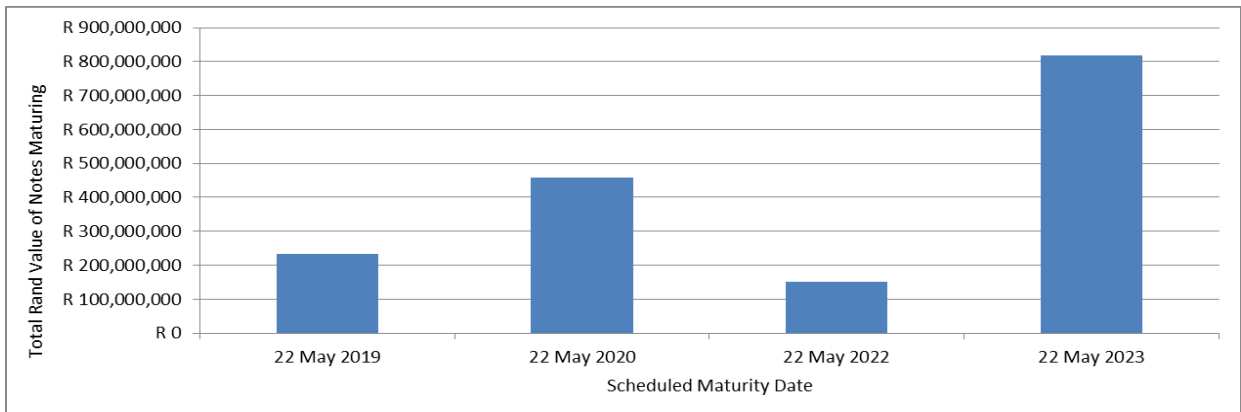
The Required Interest Rate margin between the weighted average home loan rate and the 3 month JIBAR rate is to be tested in two ways on Interest Payment date: the margin of the 12 months rolling averages of each rate and the margin of the actual rates applicable on those dates. For trend purposes, the rates are shown below at each month end with the current JIBAR rate as determined on each reset date for the quarter. The same trigger margin applies to both calculations.

End of:	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18
12 months rolling average:												
HL-12 m	10.03%	10.01%	9.98%	9.95%	9.92%	9.90%	9.87%	9.84%	9.80%	9.76%	9.71%	9.67%
Jibar-12 m	7.31%	7.29%	7.26%	7.23%	7.22%	7.17%	7.15%	7.13%	7.10%	7.06%	7.03%	7.00%
Margin-12 m	2.72%	2.72%	2.72%	2.72%	2.71%	2.73%	2.72%	2.71%	2.70%	2.69%	2.68%	2.67%
Current month:												
HL-current	9.76%	9.75%	9.74%	9.74%	9.75%	9.75%	9.75%	9.76%	9.51%	9.51%	9.51%	9.52%
Jibar-curr.	7.05%	7.05%	7.05%	7.05%	7.10%	7.10%	7.13%	7.13%	7.13%	6.90%	6.90%	6.90%
Margin-curr.	2.71%	2.70%	2.69%	2.69%	2.65%	2.65%	2.63%	2.64%	2.39%	2.61%	2.61%	2.62%
Trigger (min.)	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%

Trigger = If breached by both calculations on the same interest payment date, early amortisation required

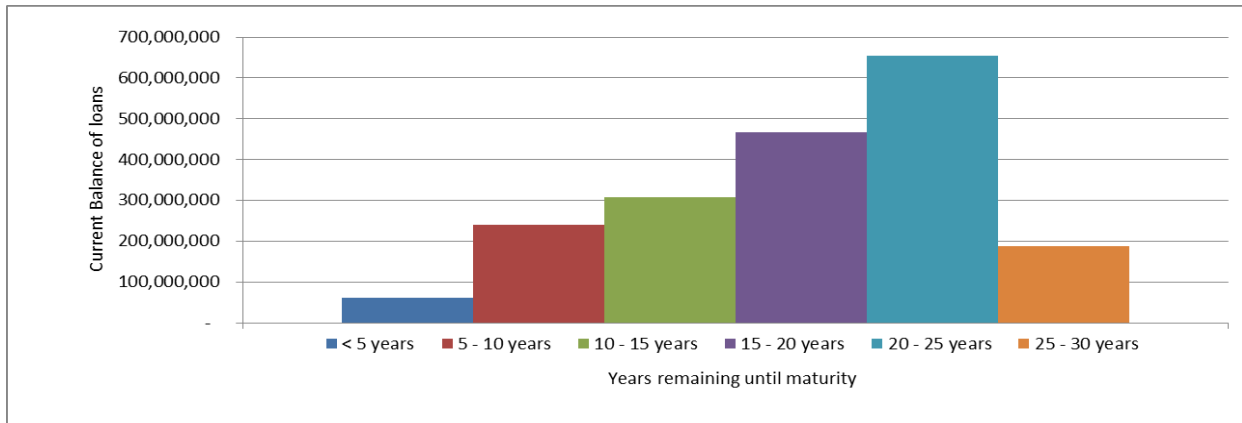


Notes maturity analysis



Trends

Asset pool maturity analysis



NQABA FINANCE 1 (RF) LIMITED

Cumulative Note details to Interest payment date 22/08/2018

Class number	JSE stock code	ISIN	Issue date	Scheduled maturity and step-up date	Legal final maturity date	Tranche balance at transaction close R	Subsequent tranches issued R	Tranches redeemed on scheduled maturity dates R	Tranche balance at end of period R	Original rating at issue date	Current rating (31/05/2016)	Remaining life on scheduled maturity (years)	Weighted
A1	NQF1A1	ZAG000030701	31/05/2006	22/05/2009	22/05/2041	696,000,000		(696,000,000)	-	AAA(zaf)			
A2	NQF1A2	ZAG000030735	31/05/2006	22/05/2011	22/05/2043	376,000,000		(376,000,000)	-	AAA(zaf)			
A3	NQF1A3	ZAG000030685	31/05/2006	22/05/2011	22/05/2043	320,000,000		(320,000,000)	-	AAA(zaf)			
A4	NQF1A4	ZAG000044520	28/09/2007	22/05/2010	22/05/2042		304,000,000		(304,000,000)	-	AAA(zaf)		
A5	NQF1A5	ZAG000067760	22/05/2009	22/05/2010	22/05/2042	696,000,000		(696,000,000)	-	AAA(zaf)			
A6	NQF1A6	ZAG000077546	24/05/2010	22/05/2011	22/05/2043	100,000,000		(100,000,000)	-	AAA(zaf)			
A7	NQF1A7	ZAG000077553	24/05/2010	22/11/2011	22/11/2043	375,000,000		(375,000,000)	-	AAA(zaf)			
A8	NQF1A8	ZAG000077561	24/05/2010	22/05/2012	22/05/2044	30,000,000		(30,000,000)	-	AAA(zaf)			
A9	NQF1A9	ZAG000077579	24/05/2010	22/05/2013	22/05/2045	127,000,000		(127,000,000)	-	AAA(zaf)			
A10	NQ1A10	ZAG000077686	24/05/2010	22/05/2020	22/05/2052	115,000,000			115,000,000	AAA(zaf)	A1(sf) / Aaa.za(sf)	1.81	0.13
A11	NQ1A11	ZAG000085853	23/05/2011	22/05/2016	22/05/2048	205,000,000		(205,000,000)	-	AAA(zaf)			
A12	NQ1A12	ZAG000085879	23/05/2011	22/05/2014	22/05/2046	318,000,000		(318,000,000)	-	AAA(zaf)			
A13	NQ1A13	ZAG000085887	23/05/2011	22/05/2012	22/05/2044	273,000,000		(273,000,000)	-	AAA(zaf)			
A14	NQ1A14	ZAG000090648	22/11/2011	22/05/2013	22/05/2045	375,000,000		(375,000,000)	-	AAA(zaf)			
A15	NQ1A15	ZAG000095258	22/05/2012	22/05/2015	22/05/2047	303,000,000		(303,000,000)	-	AAA(zaf)			
A16	NQ1A16	ZAG000105933	22/05/2013	22/05/2016	22/05/2048	200,000,000		(200,000,000)	-	AAA(zaf)			
A18	NQ1A18	ZAG000115569	22/05/2014	22/05/2017	22/05/2049	318,000,000		(318,000,000)	-	AAA(zaf)			
A19	NQ1A19	ZAG000126509	22/05/2015	22/05/2018	22/05/2050	303,000,000		(303,000,000)	-	AAA(zaf)			
A21	NQ1A21	ZAG000136664	23/05/2016	22/05/2019	22/05/2051	210,000,000			210,000,000	AAA(zaf)	A1(sf) / Aaa.za(sf)	0.81	0.10
A22	NQ1A22	ZAG000136722	22/05/2015	22/05/2017	22/05/2049	195,000,000		(195,000,000)	-	AAA(zaf)			
A23	NQ1A23	ZAG000143983	22/05/2017	22/05/2018	22/05/2050	5,000,000		(5,000,000)	-	AAA(zaf)			
A24	NQ1A24	ZAG000143991	22/05/2017	22/05/2020	22/05/2052	310,000,000			310,000,000	AAA(zaf)	Aaa.za(sf)	1.81	0.34
A25	NQ1A25	ZAG000144007	22/05/2017	22/05/2022	22/05/2054	150,000,000			150,000,000	AAA(zaf)	Aaa.za(sf)	3.81	0.34
A26	NQ1A26	ZAG000144155	22/05/2017	22/05/2018	22/05/2050	48,000,000		(48,000,000)	-	AAA(zaf)	Aaa.za(sf)		
A27	NQ1A27	ZAG000151531	22/05/2018	22/05/2023	22/05/2055	658,000,000			658,000,000	AAA(zaf)	Aaa.za(sf)	4.81	1.91
Totals Class A						1,392,000,000	5,618,000,000	(5,567,000,000)	1,443,000,000				
B1	NQF1B1	ZAG000030719	31/05/2006	22/05/2009	22/05/2041	32,000,000		(32,000,000)	-	AA(zaf)			
B2	NQF1B2	ZAG000030743	31/05/2006	22/05/2011	22/05/2043	32,000,000		(32,000,000)	-	AA(zaf)			
B3	NQF1B3	ZAG000044538	28/09/2007	22/05/2010	22/05/2042		14,000,000	(14,000,000)	-	AA(zaf)			
B5	NQF1B5	ZAG000067778	22/05/2009	22/05/2010	22/05/2042	32,000,000		(32,000,000)	-	AA(zaf)			
B6	NQF1B6	ZAG000077587	24/05/2010	22/05/2011	22/05/2043	8,000,000		(8,000,000)	-	AA(zaf)			
B7	NQF1B7	ZAG000077595	24/05/2010	22/11/2011	22/11/2043	10,000,000		(10,000,000)	-	AA(zaf)			
B9	NQF1B9	ZAG000077611	24/05/2010	22/05/2013	22/05/2045	30,000,000		(30,000,000)	-	AA(zaf)			
B10	NQ1B10	ZAG000077702	24/05/2010	22/05/2020	22/05/2052	11,000,000			11,000,000	AA(zaf)	A3(sf) / Aaa.za(sf)	1.81	0.01
B11	NQ1B11	ZAG000085861	23/05/2011	22/05/2014	22/05/2046	32,000,000		(32,000,000)	-	AA(zaf)			
B12	NQ1B12	ZAG000085895	23/05/2011	22/05/2012	22/05/2044	8,000,000		(8,000,000)	-	AA(zaf)			
B13	NQ1B13	ZAG000090655	22/11/2011	22/05/2013	22/05/2045	10,000,000		(10,000,000)	-	AA(zaf)			
B14	NQ1B14	ZAG000095266	22/05/2012	22/05/2015	22/05/2047	8,000,000		(8,000,000)	-	AA(zaf)			
B15	NQ1B15	ZAG000105966	22/05/2013	22/05/2018	22/05/2050	40,000,000		(40,000,000)	-	AA(zaf)	A3(sf) / Aaa.za(sf)		
B16	NQ1B16	ZAG000115577	22/05/2014	22/05/2017	22/05/2049	32,000,000		(32,000,000)	-	AA(zaf)			
B17	NQ1B17	ZAG000126467	22/05/2015	22/05/2020	22/05/2050	8,000,000			8,000,000	AA(zaf)	A3(sf) / Aaa.za(sf)	1.81	0.01
B19	NQ1B19	Private placement	22/05/2017	22/05/2018	22/05/2050	32,000,000		(32,000,000)	-	AAA(zaf)	Aaa.za(sf)		
B20	NQ1B20	ZAG000151549	22/05/2018	22/05/2023	22/05/2055	159,000,000			159,000,000	AAA(zaf)	Aaa.za(sf)	4.81	0.46
Totals Class B						64,000,000	434,000,000	(320,000,000)	178,000,000				
C1	NQF1C1	ZAG000030693	31/05/2006	22/05/2009	22/05/2041	32,000,000		(32,000,000)	-	A(zaf)			
C2	NQF1C2	ZAG000030727	31/05/2006	22/05/2011	22/05/2043	32,000,000		(32,000,000)	-	A(zaf)			
C3	NQF1C3	ZAG000044546	28/09/2007	22/05/2010	22/05/2042		14,000,000	(14,000,000)	-	A(zaf)			
C5	NQF1C5	ZAG000067778	22/05/2009	22/05/2010	22/05/2042	32,000,000		(32,000,000)	-	A(zaf)			
C6	NQF1C6	ZAG000077629	24/05/2010	22/05/2011	22/05/2043	5,000,000		(5,000,000)	-	A(zaf)			
C7	NQF1C7	ZAG000077637	24/05/2010	22/11/2011	22/11/2043	13,000,000		(13,000,000)	-	A(zaf)			
C9	NQF1C9	ZAG000077652	24/05/2010	22/05/2013	22/05/2045	12,000,000		(12,000,000)	-	A(zaf)			
C10	NQ1C10	ZAG000077694	24/05/2010	22/05/2020	22/05/2052	5,000,000			5,000,000	A(zaf)	Baa1(sf) / Aaa.za(sf)	1.81	0.01
C11	NQ1C11	ZAG000085903	23/05/2011	22/05/2014	22/05/2046	32,000,000		(32,000,000)	-	A(zaf)			
C12	NQ1C12	ZAG000085911	23/05/2011	22/05/2012	22/05/2044	5,000,000		(5,000,000)	-	A(zaf)			
C13	NQ1C13	ZAG000090630	22/11/2011	22/05/2013	22/05/2045	13,000,000		(13,000,000)	-	A(zaf)			
C14	NQ1C14	ZAG000095241	22/05/2012	22/05/2015	22/05/2047	5,000,000		(5,000,000)	-	A+(zaf)			
C15	NQ1C15	ZAG000105958	22/05/2013	22/05/2018	22/05/2050	25,000,000		(25,000,000)	-	A+(zaf)	Baa1(sf) / Aaa.za(sf)		
C16	NQ1C16	ZAG000115585	22/05/2014	22/05/2017	22/05/2049	32,000,000		(32,000,000)	-	A+(zaf)	Aaa.za(sf)		
C17	NQ1C17	ZAG000126459	22/05/2015	22/05/2020	22/05/2050	5,000,000			5,000,000	A+(zaf)	Baa1(sf) / Aaa.za(sf)	1.81	0.01
C19	NQ1C19	Private placement	22/05/2017	22/05/2018	22/05/2050	32,000,000		(32,000,000)	-	AAA(zaf)	Aaa.za(sf)		
Totals Class C						64,000,000	230,000,000	(284,000,000)	10,000,000				
D1	NQF1D1	ZAG000030750	31/05/2006	22/05/2009	22/05/2041	24,000,000		(24,000,000)	-	BBB(zaf)			
D2	NQF1D2	ZAG000030677	31/05/2006	22/05/2011	22/05/2043	24,000,000		(24,000,000)	-	BBB(zaf)			
D3	NQF1D3	ZAG000044553	28/09/2007	22/05/2010	22/05/2042		11,000,000	(11,000,000)	-	BBB(zaf)			
D4	NQF1D4	ZAG000077660	24/05/2010	22/05/2013	22/05/2045	30,000,000		(30,000,000)	-	BBB(zaf)			
D5	NQF1D5	ZAG000077678	24/05/2010	22/05/2020	22/05/2052	5,000,000			5,000,000	BBB(zaf)	Baa2(sf) / Aa1.za(sf)	1.81	0.01
D6	NQF1D6	ZAG000085929	23/05/2011	22/05/2016	22/05/2048	24,000,000		(24,000,000)	-	BBB(zaf)			
D7	NQF1D7	ZAG000105974	22/05/2013	22/05/2018	22/05/2050	30,000,000		(30,000,000)	-	A-(zaf)	Baa2(sf) / Aa1.za(sf)		
D8	NQF1D8	ZAG000136656	23/05/2016	22/05/2019	22/05/2051	24,000,000			24,000,000	A-(zaf)	Baa2(sf) / Aa1.za(sf)	0.81	0.01
Totals Class D						48,000,000	124,000,000	(143,000,000)	29,000,000				
Totals all Notes						1,568,000,000	6,406,000,000	(6,314,000,000)	1,660,000,000				3.33

Pool factor: As all notes are bullet profile, the pool factor on each is 1 until redemption.

NQABA FINANCE 1 (RF) LIMITED

Note interest calculations for current interest payment date 22/08/2018

Class number	JSE stock code	Balance start of period R	Interest reset date	Interest payment date	Step up call date	Number of days	3 month Jibar	Margin or fixed rate	Step up margin or fixed rate	Total note coupon	Interest accrued and paid R	Principal raised (distributed) R	Balance end of period R
A10	NQ1A10	115,000,000	22/05/2018	22/08/2018	22/05/2020	92	Fixed	10.435%	+25 bps	10.435%	3,024,721	-	115,000,000
A21	NQ1A21	210,000,000	22/05/2018	22/08/2018	22/05/2019	92	6.900%	1.570%	2.198%	8.470%	4,483,299	-	210,000,000
A24	NQ1A24	310,000,000	22/05/2018	22/08/2018	22/05/2020	92	6.900%	1.600%	2.240%	8.500%	6,641,644	-	310,000,000
A25	NQ1A25	150,000,000	22/05/2018	22/08/2018	22/05/2022	92	6.900%	1.840%	2.576%	8.740%	3,304,438	-	150,000,000
A27	NQ1A27	658,000,000	22/05/2018	22/08/2018	22/05/2020	92	6.900%	1.850%	2.590%	8.750%	14,512,055	-	658,000,000
Totals Class A		1,443,000,000						Weighted average:		4.799%	31,966,156	-	1,443,000,000
B10	NQ1B10	11,000,000	22/05/2018	22/08/2018	22/05/2020	92	Fixed	10.635%	+55 bps	10.635%	294,866	-	11,000,000
B17	NQ1B17	8,000,000	22/05/2018	22/08/2018	22/05/2020	92	6.900%	1.820%	2.548%	8.720%	175,834	-	8,000,000
B20	NQ1B20	159,000,000	22/05/2018	22/08/2018	22/05/2020	92	6.900%	2.250%	3.150%	9.150%	3,667,019	-	159,000,000
Totals Class B		178,000,000						Weighted average:		9.222%	4,137,719	-	178,000,000
C10	NQ1C10	5,000,000	22/05/2018	22/08/2018	22/05/2020	92	Fixed	10.835%	+100 bps	10.835%	136,551	-	5,000,000
C17	NQ1C17	5,000,000	22/05/2018	22/08/2018	22/05/2020	92	6.900%	2.250%	3.150%	9.150%	115,315	-	5,000,000
Totals Class C		10,000,000						Weighted average:		9.993%	251,866	-	10,000,000
D5	NQF1D5	5,000,000	22/05/2018	22/08/2018	22/05/2020	92	6.900%	3.250%	+325 bps	10.150%	127,918	-	5,000,000
D8	NQF1D8	24,000,000	22/05/2018	22/08/2018	22/05/2019	92	6.900%	2.850%	3.990%	9.750%	589,808	24,000,000	24,000,000
Totals Class D		29,000,000						Weighted average:		9.819%	717,726	24,000,000	29,000,000
Totals all Notes		1,660,000,000						Weighted average:		8.861%	37,073,467.00	24,000,000	1,660,000,000
Subordinated loan		290,000,000	22/05/2018	22/08/2018		92	6.900%	5.000%		11.900%	8,698,411		290,000,000
Total funding		1,950,000,000						Weighted average interest rate all funding:		9.313%	45,771,878	24,000,000	1,950,000,000
Credit enhancement limit								17.5%					of notes outstanding
Current value of credit enhancement								17.5%					of notes outstanding
Credit enhancement committed and not drawn								0%					

Credit enhancement in the form of a subordinated loan of R290 000 00 from EFC is available to all classes of notes.

Note: As all interest accrued has been paid in full since inception, there are no interest shortfalls.

Interest swaps on fixed interest Notes for current interest payment date 22/08/2018

Trade number	JSE stock code	Nominal value R	Interest reset date	Interest payment date	Number of days	Fixed rate	Floating: 3 month Jibar	Total after margin added	Receive fixed R	Pay floating R	Net receipt / (payment) R
9527572	NQ1A10	115,000,000	22/05/2018	22/08/2018	92	10.435%	6.900%	9.000%	3,024,721	(2,608,767)	415,953
9527542	NQ1B10	11,000,000	22/05/2018	22/08/2018	92	10.635%	6.900%	9.200%	294,866	(255,079)	39,787
9527501	NQ1C10	5,000,000	22/05/2018	22/08/2018	92	10.835%	6.900%	9.400%	136,551	(118,466)	18,085
		131,000,000				Weighted averages:	10.467%	9.032%	3,456,138	(2,982,312)	473,825

Note: The above swap contracts terminate on 22 May 2020, the expected maturity date of the related Notes.

Liquidity and redraw facilities at Interest payment date

Liquidity facility	22/08/2018 R	22/05/2018 R
Facility limit (2% of Notes issued)	33,200,000	33,200,000
Available facility:		
Outstandings at start of period	-	-
Further amounts drawn	-	-
Less: Outstandings at end of period	-	-
Available facility at end of period	33,200,000	33,200,000

The facility is due for renewal on 21/02/2018. It has never been used.
The fee charge is 0.55% of the facility limit.

Redraw facility	22/08/2018 R	22/05/2018 R
Facility limit	150,000,000	150,000,000
Available facility:		
Outstandings at start of period	-	-
Further amounts drawn (repaid)	-	-
Less: Outstandings at end of period	-	-
Available facility at end of period	150,000,000	150,000,000

The facility is due for renewal on 21/02/2018. It has never been used.
The fee charge is 0.55% of the facility limit.

Early amortisation events (summary)

	22/08/2018	22/05/2018
The occurrence of any of the following events, as determined by the manager, will give rise to early amortisation of the transaction. Please see the referenced pages for further details:		
	Reference	Breach
Any new tax which has a material adverse effect on the Issuer	No	No
Any Servicer event of default	No	No
The Arrears Reserve (if required) is not fully funded for six consecutive payment dates	Pages 7, 13	No
The weighted average current LTV exceeds the required weighted average current LTV by more than 10%	Page 3	No
The aggregate principal balances of home loans which are in arrears for more than 3 months exceeds 2.5% of the outstanding principal amount of the Notes	Page 7	No
The Issuer does not achieve the required interest margin	Page 3	No
A Principal deficiency exists on any payment date	Page 13	No
The rating assigned to Eskom Holdings SOC Limited is downgraded below A2.za	Page 2	No

NQABA FINANCE 1 (RF) LIMITED

Principal deficiency ledger at Interest payment date

	22/08/2018 R	22/05/2018 R
Early amortisation event - a principal deficiency exists on any payment date		
A Principal Deficiency is defined as: the amount of the Liabilities expected to exist, less the Assets expected to exist on the immediately succeeding payment date after having made all payments in accordance with the priority of payments on that payment date, if the result is less than zero.		
Liabilities		
Aggregate outstanding principal of the notes	1,660,000,000	1,660,000,000
Less: Amount allocated for the redemption of notes	-	(817,000,000)
- Class A	-	(658,000,000)
- Class B	-	(72,000,000)
- Class C	-	(57,000,000)
- Class D	-	(30,000,000)
Plus: Funds raised through refinancing	-	817,000,000
Plus: Principal amount outstanding under the redraw facility at the end of the preceding collection period	-	-
Less: Amount allocated in current priority of payments to repay the redraw facility	-	-
Total liabilities (L)	1,660,000,000	1,660,000,000
Assets		
Aggregate principal balances of home loans on the last day of the immediately preceding Collection Period	1,921,282,474	1,905,842,553
Plus: Home loans transferred on the next day from funds previously allocated	11,465,151	32,799,198
Total principal balances at start of current period	1,932,747,625	1,938,641,751
Amount allocated to purchase additional home loans on the immediately succeeding Payment Date *	17,252,375	11,358,249
* For practical reasons, transfers occur at the start of the next Collection Period		
Total assets (A)	1,950,000,000	1,950,000,000
Principal deficiency (L - A) (never less than zero) (PD)	-	-

Conclusion: No principal deficiency exists

Interest Deferral events

If a principal deficiency exists, the amount of the deficiency must be tested successively against the outstanding principal amounts of the subordinated loan and the subordinated classes of Notes to establish whether interest on these Notes must be deferred.

Principal Deficiency calculated above (PD)	-	-
Class D interest deferral test to protect class C and above Noteholders		
Class D Notes	29,000,000	29,000,000
Class E Notes	-	-
Subordinated loan	290,000,000	290,000,000
Total (D)	319,000,000	319,000,000
Net Principal Deficiency (PD - D) (never less than zero)	-	-
Class C interest deferral test to protect class B and above Noteholders		
Class C Notes (C)	10,000,000	10,000,000
Net Principal Deficiency (PD - D - C) (never less than zero)	-	-
Class B interest deferral test to protect class A Noteholders		
Class B Notes (B)	178,000,000	178,000,000
Net Principal Deficiency (PD - D - C - B) (never less than zero)	-	-

NB: If there is an Interest Deferral Event, redemptions of matured Class B to D Notes will be affected.

Conclusion: No interest deferral is necessary as no principal deficiency exists

Reserve funds at Interest payment date

	R	R
Reserve fund balance at transaction close	-	-
Arrears reserve at start of period	-	-
Current period change	2,942,559	-
Arrears reserve at end of period	2,942,559	-

NB: The arrears reserve has been funded since the required date. The Issuer has no other reserve funds.

NQABA FINANCE 1 (RF) LIMITED

Cash flow statement to determination date

NB: These figures are derived from the unaudited management accounts and are subject to change

	Three months ended:	
	31/07/2018	30/04/2018
	R	R
Profit before tax per income statement	320,749	3,590,723
Add back:		
Fair value adjustments	-	-
Funds from operations	320,749	3,590,723
Taxation paid	-	-
Increase (decrease) in Notes including accrued interest	1,752,677	(1,393,702)
(Increase) decrease in portfolio assets including accrued interest	(15,439,922)	19,710,301
(Increase) in arrears reserve funded	(2,838,801)	-
Decrease (increase) in amounts due by EFC and accounts receivable	1,747,224	(1,708,177)
Increase in amounts due to EFC and accounts payable	145,541	671,955
(Decrease) increase in funds	(14,312,532)	20,871,101
Funds available at beginning of the period	109,805,098	88,208,936
Funds available at end of the period to Priority of Payments	95,492,566	109,080,037

Pre-enforcement Priority of Payments during the Revolving period at Interest payment date

	22/08/2018	22/05/2018
	R	R
Cash at bank as above	95,492,566	109,805,098
Refinancing of Notes	-	817,000,000
Add: Commingling amounts subsequently received from EFC	26,232,355	27,979,579
Less: commingling amounts payable to EFC	(8,337,056)	(8,295,720)
Available cash	113,387,865	946,488,957
Payments		
1 South African Revenue Services	(130,362)	(6,250)
2 Security SPV trust, owner trust and third party payments	(5,457,318)	(4,595,037)
3 Derivative counterparty settlement received (paid)	473,825	386,504
4 Liquidity facility provider - fees	(43,306)	(41,738)
5 Redraw facility provider - fees	(195,658)	(188,575)
6 Class A to D Note holders:		
Interest on Class A notes	(31,966,156)	(30,656,830)
Surplus / (Deficit)	76,068,891	911,387,032
Interest on Class B notes	(4,137,719)	(1,930,069)
Interest payable	(4,137,719)	(1,930,069)
Less: Class B interest deferred	-	-
Interest on Class C notes	(251,866)	(1,428,206)
Interest payable	(251,866)	(1,428,206)
Less: Class C interest deferred	-	-
Interest on Class D notes	(717,726)	(1,344,814)
Interest payable	(717,726)	(1,344,814)
Less: Class D interest deferred	-	-
Surplus / (Deficit)	70,961,580	906,683,942
7 Arrears reserve (increase) decrease	(103,758)	-
8 Redraw facility provider	-	-
9 Matured Class A to D Note holders (classes B to D payments subject to Interest Deferral Events)	-	(817,000,000)
10 Additional home loans		
Purchase of additional home loans (per home loan sale agreement) (potential purchase amount less amount applied to item 8 above)	(11,465,151)	(32,799,198)
11 Purchases Reserve:		
Potential purchase amount: an amount determined on each determination date prior to the application of funds on the following payment date:		
Outstanding principal of the Notes	1,660,000,000	1,660,000,000
Plus: Outstanding principal amount of subordinated loan	290,000,000	290,000,000
Less: Principal balance of Home Loans	(1,921,282,474)	(1,905,842,553)
Less: Amounts applied to items 8 and 10	(11,465,151)	(32,799,198)
Required purchases reserve	17,252,375	11,358,249
	(17,252,375)	(11,358,249)
12 Class A to D Note holders: other amounts due	-	-
13 Derivative counterparty	-	-
Surplus / (Deficit)	42,140,296	45,526,495
14 Issuer expenses in excess of issuer expenses cap	-	-
15 Interest on Class E notes	-	-
16 Subordinated loan interest	(8,698,411)	(8,573,870)
17 Class E Note holders: Matured capital	-	-
18 Class E Note holders: Capital	-	-
19 Preference shareholder: Dividend due and payable	-	-
20 To Permitted Investments while amounts are outstanding to Secured Creditors	(33,441,885)	(36,952,625)
	-	-

NQABA FINANCE 1 (RF) LIMITED

	Quarter ended 31/07/2018 R	YTD 31/07/2018 R	YTD 30/04/2018 R
Statement of Comprehensive Income			
<i>NB: These figures are derived from the unaudited management accounts and are subject to change.</i>			
Financing income	46,213,543	61,159,421	14,945,878
Financing cost	45,686,466	60,495,608	14,809,142
Financing margin	527,077	663,813	136,736
Loan losses	(70,390)	(70,390)	-
Loan losses written off	(70,390)	(70,390)	-
Impairment provisions	-	-	-
Interest received from bank	1,225,860	1,692,856	466,996
Interest swap	386,504	386,504	-
Fair value adjustments	-	-	-
Settlements received (paid)	386,504	386,504	-
Operating profit	2,069,051	2,672,783	603,732
Operating expenditure	(1,748,301)	(2,329,711)	581,409
Management fees	166,634	221,098	54,463
Servicer fees	833,373	1,105,358	271,985
Liquidity fees	43,306	57,427	14,121
Redraw Facility fees	195,658	259,459	63,801
Back-up Servicer fees	48,311	64,079	15,767
Audit fees	133,287	177,716	44,429
JSE fees	13,944	32,565	18,622
JSE fee (variable)	-	-	-
Bond issue fees	-	-	-
Legal Fees	-	-	-
Bank Charges	2,522	3,336	814
Owner Trust fees	-	-	-
Directors fees	57,719	76,847	19,128
Rating fees	77,123	102,830	25,708
Rating fees (variable)	109,990	146,653	36,663
Safe Custody fees	-	-	-
National Credit Regulator fees	24,425	32,573	8,148
Credit Ombudsman	-	-	-
Strate fees	42,010	49,770	7,760
Strate fee (variable)	-	-	-
Net profit before tax	320,750	343,072	22,323
Taxation - normal tax	(124,112)	(130,362)	6,250
Taxation - deferred tax	-	-	-
Net profit after tax	196,637	212,709	16,072
Retained income at beginning of the period	52,749,640	52,733,567	52,733,567
Retained income at end of the period	52,946,277	52,946,277	52,749,639

	31/07/2018 R	30/04/2018 R
Statement of Financial Position		
<i>NB: These figures are derived from the unaudited management accounts and are subject to change.</i>		
Assets		
Non-Current Assets	1,912,749,634	1,897,309,712
Home loan advances	1,911,805,742	1,896,365,820
Properties in possession	110,000	110,000
Deferred tax	833,892	833,892
Current Assets	136,019,579	149,240,534
Amounts due by EFC	26,232,355	27,979,579
Cash and cash equivalents	95,492,566	109,805,098
Arrears reserve	2,838,801	-
SA Revenue Services	7,408,995	7,408,995
Prepayments	-	-
Interest swap fair value	4,046,862	4,046,862
Total assets	2,048,769,213	2,046,550,246
Equity and liabilities		
Capital and reserves	52,946,378	52,749,741
Share capital	101	101
Distributable reserves	52,946,277	52,749,640
Non-current liabilities	1,984,826,429	1,983,073,752
Interest-bearing debt	1,984,826,429	1,983,073,752
Current Liabilities	10,996,407	10,726,754
Trade and other payables	2,528,989	2,424,784
Amounts due to EFC	8,337,056	8,295,720
Interest swap fair value	-	-
Deferred tax	-	-
SA Revenue Services	130,362	6,250
Total equity and liabilities	2,048,769,213	2,046,550,246

	Quarter ended: R	22/08/2018 %	22/05/2018 R
Excess spread			
Average loan pool balance	1,917,742,989		1,918,126,551
Interest received to determination date	46,220,016	9.56%	9.69%
Expenses per Priority of Payments (POP)	(5,696,281)	-1.18%	-1.03%
	40,523,735	8.38%	8.66%
Note coupon less swap per POP	(36,599,642)	-7.57%	-7.48%
Excess spread before subordinated loan interest	3,924,093	0.81%	1.18%
Subordinated loan interest per POP	(8,698,411)	-1.80%	-1.83%
Excess spread	(4,774,318)	-0.99%	-0.65%

NQABA FINANCE 1 (RF) LIMITED

Abridged glossary of definitions

Terms and expressions set out below will have the meanings set out below in the Terms and Conditions and the other Transaction Documents, unless such term is separately defined in the Terms and Conditions, the Applicable Pricing Supplement or the Transaction Documents or the context otherwise requires:

Absa House Price Index	the National House Price Index published quarterly by Absa on its website up to 31 December 2016, the date Absa discontinued the publishing of this Index.
Amortisation Period	the period commencing on the expiry of the Revolving Period and ending on the delivery of an Enforcement Notice. (During this time, the Pre-Enforcement Priority of Payments applicable during the Amortisation Period will be applicable.)
Arrears	any amount unpaid in respect of an Instalment, other than a failure to pay which is due solely to a failure of the bank payment system or a failure of the payroll deduction mechanism through which Eskom deducts payments from the salaries of the Borrowers on behalf of EFC, provided that such failure of the payroll mechanism shall not persist for longer than one month
Average Outstanding Balance	the aggregate of all amounts outstanding under the Home Loans owned by the Issuer divided by the number of Home Loans owned by the Issuer
Business Day	a day (other than a Saturday, Sunday or statutory public holiday) on which commercial banks settle payments in Rand in Johannesburg
Collection Period	each calendar month period commencing on (and including) the day following a Determination Date and ending on (and including) the following Determination Date
Current LTV Ratio	in respect of a Home Loan, the LTV Ratio (see below) as at the most recent Determination Date
Defaulted Asset	any Home Loan Agreement with respect to which the Issuer has commenced legal proceedings (including the delivery of a letter of demand) for the repayment of amounts outstanding under such Home Loan Agreement
Deteriorated Asset	any Home Loan Agreement with respect to which more than three Instalments are in Arrears
Determination Date	the last day of the calendar month preceding each Payment Date
Enforcement Notice	a notice delivered or deemed to have been delivered to the Issuer (by the Security SPV) pursuant to the Terms and Conditions following an Event of Default under the Notes
Eligibility Criteria	the criteria that a Home Loan must satisfy to be acquired by the Issuer, as set out in Schedule 3 to the Home Loan Sale Agreement
Fully Performing	a Home Loan which is not currently in Arrears
Further Advance	means additional principal advances (in excess of Repayments and Prepayments) advanced to a Borrower in terms of the Home Loan Agreement concluded by such Borrower (the terms of which Home Loan Agreement will determine whether the additional advances to the Borrower are discretionary or obligatory)
Home Loan	a Guaranteed Home Loan or a Mortgaged Home Loan owned by the Seller that complies with the Eligibility Criteria and is sold to the Issuer pursuant to the provisions of the Home Loan Sale Agreement, which Home Loan has been granted by the Seller to a Borrower for the purpose of funding the acquisition or financing of a Property
Home Loan Rate	the annual lending rate of interest from time to time levied in respect of each home loan originated by the Servicer, or such other entity approved by the Rating Agency, nominal annual compounded monthly in arrears
Instalment	the monthly payment in respect of principal, interest (or a combination of both) and insurance premiums, if applicable, due in respect of a Home Loan, in accordance with the provisions of the relevant Home Loan Agreement
Interest Payment Date(s)	in relation to each Tranche of Notes, the interest payment dates specified as such in the Applicable Pricing Supplement. (In practice, all current notes issued have the same interest payment dates - see page 2.)
Issuer Expense Cap	an annual amount calculated by the Manager in respect of each financial year of the Issuer in respect of items 2 to 5 of the Priority of Payments, and notified in writing to the Issuer and the Rating Agency, which amount shall not exceed 0.35% of the aggregate of the Outstanding Principal Amounts of the Notes in issue from time to time plus any amounts outstanding under the Subordinated Loan(s)

NQABA FINANCE 1 (RF) LIMITED

Abridged glossary of definitions

Liquidity Facility	a committed Rand denominated short term loan facility, provided by the Liquidity Facility Provider in terms of the Liquidity Facility Agreement
Liquidity Facility Limit	2% of the Outstanding Principal Amount of the Notes in issue from time to time, being the maximum aggregate amount that can be drawn at any time under the Liquidity Facility
Liquidity Shortfall	on any Payment Date, an amount equal to the sum of items 1 to 6 in the Pre-Enforcement Priority of Payments applicable during the Revolving Period or an amount equal to the sum of items 1 to 6 in the Pre-Enforcement Priority of Payments applicable during the Amortisation Period, as the case may be payable on such Payment Date, less the cash available in the relevant Priority of Payments on such Payment Date to fund such expenses
LTV Ratio	in respect of a Home Loan, the loan to value ratio of such Home Loan, being the ratio of the total amount outstanding under the Home Loan to the most recent value placed on the Property by an Accredited Valuer for the purposes of valuing the Property relating to the relevant Home Loan
Mandatory Redemption in part (Amortisation Period)	The Notes in all Tranches of Notes will be subject to mandatory redemption in part on each Interest Payment Date during the Amortisation Period, in reducing order of rank (and pari passu if of equal rank) as determined by the respective Classes of the Notes, to the extent permitted by and in accordance with the Priority of Payments
Mandatory Redemption following delivery of an Enforcement Notice	Upon the delivery of an Enforcement Notice (following the occurrence of an Event of Default), the Notes in all Tranches of Notes will be immediately due and payable
Mortgage Bond	in respect of Mortgaged Home Loans, a first mortgage bond or sectional title bond on terms acceptable to the Home Loan Lender, registered over the Property of the relevant Borrower in favour of the Home Loan Lender as security for the obligations of such Borrower to the Home Loan Lender in relation to the Home Loan granted to such Borrower
NACQ	nominal annual compounded quarterly
Original LTV Ratio	in respect of a Home Loan, the LTV Ratio as at origination of that Home Loan, or if such information is unavailable, the greater of the Current LTV Ratio and the weighted average LTV Ratio in respect of Home Loans where an Original LTV Ratio is available
Payment Date	the 22nd day of every month on which the Issuer pays, or makes provision for the payment of, amounts owing to creditors of the Issuer
Portfolio Covenants	the criteria that the aggregate portfolio of Home Loans owned by the Issuer must satisfy, after the acquisition of each Home Loan under the Home Loan Sale Agreement, as set out in Schedule 4 to the Home Loan Sale Agreement
Post-Enforcement Priority of Payments	the order in which payments shall be made from the Transaction Account, after the delivery of an Enforcement Notice, as set out in the Management Agreement
Potential Redraw Amount	in respect of a Home Loan at any time, the aggregate monies which the Borrower is entitled to draw, and the Home Loan Lender is obliged to advance, at such time in accordance with the provisions of the Home Loan Agreement concluded by such Borrower
Pre-Enforcement Priority of Payments	the Pre-Enforcement Priority of Payments applicable during the Revolving Period and the Pre-Enforcement Priority of Payments applicable during the Amortisation Period
Pre-Enforcement Priority of Payments applicable during the Amortisation Period	the order in which payments shall be made from the Transaction Account during the Amortisation Period and prior to delivery of an Enforcement Notice pursuant to an Event of Default, as set out in the Management Agreement. (See Mandatory Redemption in part above.)
Pre-Enforcement Priority of Payments applicable during the Revolving Period	the order in which payments shall be made from the Transaction Account during the Revolving Period and prior to delivery of an Enforcement Notice pursuant to an Event of Default, as set out in the Management Agreement
Prepayments	principal repayments received under a Home Loan in excess of the minimum scheduled Instalments which a Borrower is obliged to pay
PTI Ratio	payment to monthly income ratio, being the ratio of the minimum required Instalment payable under a Home Loan Agreement to the combined gross monthly income of the Borrower concerned and such Borrower's spouse and/or live-in partner and/or any Surety for such Borrower or such other amount or person as the Rating Agency, upon written request by the Issuer, confirms in writing will not adversely affect the then current Rating of the Notes (which income comprises basic salary and travel allowance)

NQABA FINANCE 1 (RF) LIMITED

Abridged glossary of definitions

Rate Determination Date	in respect of each Interest Period for a Tranche of Floating Rate Notes, the day falling on the first day of that Interest Period or, if such day is not a Business Day, the first following day that is a Business Day
Re-advance	a re-advance to the relevant Borrower, in terms of the Home Loan Agreement concluded by such Borrower (the terms of which Home Loan Agreement will determine whether the re-advance to the Borrower is discretionary or obligatory), of a portion of the principal of such Borrower's Home Loan, which principal has previously been repaid by such Borrower (i.e., a re-advance of Repayments but excluding Prepayments)
Redraw	a re-advance to the relevant Borrower, in terms of the Home Loan Agreement concluded by such Borrower (the terms of which Home Loan Agreement will determine whether the re-advance to the Borrower is discretionary or obligatory), of a portion of the principal of such Borrower's Home Loan, which principal has previously been repaid by such Borrower in excess of the minimum required Instalments (i.e. a re-advance of Prepayments)
Redraw Facility	a committed Rand denominated revolving facility, provided by the Redraw Facility Provider in terms of the Redraw Facility Agreement
Redraw Facility Limit	an amount equal to or greater than 50% (fifty percent) of Potential Redraw Amount
Required Direct Employees Percentage	the percentage of Home Loans advanced to employees who are directly employed by Eskom and not employed by a subsidiary company of Eskom or such other companies forming part of the Eskom group of companies, in relation to the portfolio of Home Loans owned by the Issuer which percentage on the Most Recent Evaluation Date may increase by 1% from the percentage determined at the previous Credit Enhancement Determination Date as specified in the Applicable Pricing Supplement
Revolving Period	the period commencing on (and including) the Commencement Date and ending on (but excluding) the occurrence of an Early Amortisation Event
Secured Creditors	EFC and each of the creditors of the Issuer set out in the Priority of Payments that is a party to a Transaction Document
Subordinated Notes	all the Notes issued on each Issue Date, other than the Class A Notes issued on that Issue Date
Transaction Documents	the Common Terms Agreement, the Home Loan Sale Agreement, the Servicing Agreement, the Liquidity Facility Agreement, the Redraw Facility Agreement, the Subordinated Loan Agreement, the Management Agreement, the Bank Agreement, the Guaranteed Investment Contract, the Security Agreements, the Security SPV Guarantee, the Preference Share Subscription Agreement, the Notes, the Programme Agreement, the Programme Memorandum, any Note Subscription Agreement, the agreements entered into from time to time with Derivative Counterparties, the Safe Custody Agreement, the trust deed of the Owner Trust, the trust deed of the Security SPV Owner Trust, the memorandum and articles of association of the Issuer and the Security SPV and agreements that may be entered into from time to time with Approved Originators