

NQABA FINANCE 1 (RF) LIMITED

**INVESTOR REPORT
23 MAY 2019 TO 22 AUGUST 2019**

**Debt Capital Markets
DCM Africa**

Kumeshen Naidoo
Tel: +27 11 895 6555
E-mail: kumeshen.naidoo@barclays.com

**Debt Capital Markets
DCM Africa**

Marcus Veller
Tel: +27 11 895 7298
E-mail: marcus.veller@absacapital.com

Physical address: 15 Alice Lane, Sandown, Sandton 2196 South Africa
Postal address: Private Bag X10056, Sandton 2146, South Africa

Investor Report
for the period ending 22 August 2019

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

Copies of Nqaba Investor Reports are available from the South African Securitisation Forum:
<http://www.sasf.co.za/investorreporting.htm>

Disclaimer: Copyright 2018. Publisher: Absa Corporate and Investment Bank. All rights reserved

This document has been prepared by ABSA Corporate and Investment Bank (a division of ABSA Bank Limited) ("Absa"), and is provided to you for information purposes only.

Neither Absa nor any of its subsidiaries, affiliates or ultimate holding company, nor any of the subsidiaries or affiliates of such holding company (the "Absa Group"), nor any of the subsidiaries or affiliates of such holding company (the "Absa Group"), nor any of their respective directors, officers, employees, representatives or agents, accepts any liability whatsoever for any direct, indirect or consequential losses (in contract, delict or otherwise) arising from the use of this document or its contents or reliance on the information contained herein.

The information in this document is derived from sources which are regarded as accurate and reliable and Absa does not guarantee the accuracy and/or completeness of said information. No responsibility for any error, omission or loss sustained by any person acting or refraining from acting as a result of this document is accepted by Absa and/or the author/s of the material. Past performance is not an indication of future performance and future returns are not guaranteed. It is recommended that independent detailed advice (i.e. tax, accounting, legal and financial advice) be obtained in each case prior to placing any reliance or acting on the information contained in this document.

This report has been prepared for general communication and information purposes only and may not be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments referred to herein, or to participate in any particular trading strategy in any jurisdiction in relation to such financial instruments. Any additional information regarding any financial instruments and/or financial products reviewed in this report is available upon request. Any unauthorised use or disclosure of this report is prohibited. Absa and/or its subsidiaries and/or affiliates may act as bankers, arrangers and/or advisors to issuers and/or market makers in financial instruments issued by such issuers as listed in this publication.

This document is being made available in the Republic of South Africa to persons who have professional experience in, and whom Absa believe, to be sufficiently knowledgeable to understand matters relating to investments.

Copyright of this document is owned by Absa. No part of this document may be reproduced in any manner without prior written permission of Absa. The contents of this document are proprietary to Absa.

Manager certification:

The author/s as listed in this publication certifies/certify that no part of its/their compensation was, is or will be, either directly or indirectly, related to the information expressed in this document.

Absa Bank Limited, Registration Number 1986/004794/06, is an Authorised Financial Services Provider, Licence Number 292, and a Registered Credit Provider, Registration Number NCRCP7.

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)			
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 May 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 2019 to 21 August 2019 (92 days inclusive)
Current interest payment date	22 August 2019
Next interest payment date	22 November 2019
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 2019 to 31 July 2019 (92 days)
Current determination date	31 July 2019

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

Collection period:	Current period 01/05/2019 to 31/07/2019		Previous period 01/02/2019 to 30/04/2019		Transaction close 31/05/2006	
	R	Loans	R	Loans	R	Loans
Balance brought forward	1 911 737 121	6 842	1 915 141 912	6 961	-	-
Instalments received	(66 084 689)		(66 039 697)			
Interest charged	47 316 946		45 873 174			
Insurance charged	620 817		580 408			
Valuation fees	98 278		109 947			
Principal repaid	(18 048 648)		(19 476 168)			
Unscheduled repayments (prepayments)	(50 673 170)	(171)	(55 139 110)	(190)		
Total Principal collections	(68 721 819)		(74 615 278)			
Balance at end of period	1 915 088 187	6 739	1 911 737 121	6 842	1 370 652 558	8 382
New loans purchased	53 664 389	68	48 564 182	71	1 370 652 558	8 382
Advances and redraws	18 798 761		22 652 177			
Loan losses written off	(390 265)		(5 873)			
Loan losses recovered	-		-			
Interest adjustments	-		-			
Original value of loans advanced	2 314 878 437		2 306 805 676			
Latest current valuations of properties	4 492 145 956		4 518 097 932			
Weighted average number of months since last valuation	89		88		65	
Indexed values of properties	6 755 113 000		6 843 060 000		261	
Weighted average seasoning (months)	133		133			
Weighted average term to maturity (months)	207		207			
Largest asset value	4 192 678		4 192 678		N/A	
Months in the period	3		3		Since transaction close 158	
Loan book balance used as denominator for CPR and DR percentages below	1 911 737 121		1 915 141 912		1 911 737 121	
Prepayments	50 673 170		55 139 110		2 190 903 270	
Annualised constant prepayment rate (CPR)	10.6%		11.5%		8.7%	
Loan losses	390 265		5 873		8 377 312	
Annualised default rate (DR)	0.082%		0.001%		0.033%	

Possessions

Collection period:	Current period 01/05/2019 to 31/07/2019		Previous period 01/02/2019 to 30/04/2019	
	R	Loans	R	Loans
Possessions at start of period	200 000	1	200 000	1
Changes	241 578	-	-	-
Possessions at end of period	441 578	1	200 000	1

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:

Collection period:	Current period 01/05/2019 to 31/07/2019		Previous period 01/02/2019 to 30/04/2019		Transaction close 31/05/2006	
	Required	Actual	Required	Actual	Required	Actual
Weighted average Original Loan to Value (%)	=< 92.0	89.7	=< 92.0	89.6	=< 93.6	92.5
Weighted average Current Loan to Value (%)	=< 73.0	67.6	=< 73.0	67.5	=< 76.5	75.9
Weighted average Payment to Income (%)	=< 18.0	11.8	=< 18.0	12.1	=< 17.4	16.5
Minimum payroll deduction (number) (%)	=> 91.0	92.8	=< 91.0	92.9	=< 97.0	100.0
Maximum second property loans (number) (%) ¹	=< 8.5	2.6	=< 8.5	2.6	=< 7.5	1.5
Minimum direct Eskom employees (number) (%)	=> 86.0	90.7	=> 86.0	90.8	=> 85.0	100.0
Average outstanding balance	=< R 400 000	R 284 180	=< R 400 000	R 279 412	=< 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:

Collection period:	Current period 01/05/2019 to 31/07/2019		Previous period 01/02/2019 to 30/04/2019		Transaction close 31/05/2006	
	Required	Actual	Required	Actual	Required	Actual
12 month rolling average rates:						
Weighted average home loan rate		9.69%		9.63%		
3 month Jibar daily rate		7.08%		7.05%		
Margin	=> 2.15%	2.61%	=> 2.15%	2.58%		
And						
Current actual rates at interest payment date:						
Weighted average home loan rate		9.76%		9.77%		9.64%
3 month Jibar rate		7.16%		7.15%		7.70%
Margin	=> 2.15%	2.60%	=> 2.15%	2.62%	=> 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%:

Collection period:	Current period 01/05/2019 to 31/07/2019		Previous period 01/02/2019 to 30/04/2019	
	Required	Actual	Required	Actual
Weighted average Current Loan to Value (%)	=< 83.0	67.6	=< 83.0	67.5

Result: No early amortisation events have occurred

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/07/2019

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	Weighted average term to maturity
	R	%	R	%	R	%	R	%	%	Months	Months
Original Loan to Value											
0% - 30%	31 037 895	1.6%	181	2.7%	159 841 401	38.4%	233 192 000	30.2%	9.7%	194	134
30% - 50%	62 094 528	3.2%	298	4.4%	288 920 000	43.0%	392 586 000	36.5%	9.8%	179	163
50% - 70%	161 059 555	8.4%	578	8.6%	504 621 542	50.8%	709 518 000	42.2%	9.7%	129	187
70% - 80%	171 501 025	9.0%	490	7.3%	418 661 750	60.1%	581 625 000	49.7%	9.6%	118	210
80% - 90%	294 440 489	15.4%	710	10.5%	576 013 329	71.2%	819 481 000	59.8%	9.7%	99	232
90% - 100%	567 505 133	29.6%	2 127	31.6%	1 309 490 558	70.0%	2 034 414 000	54.3%	9.7%	130	211
100%+	627 449 562	32.8%	2 355	34.9%	1 234 597 376	73.9%	1 984 297 000	55.7%	9.9%	150	205
Total	1 915 088 187	100.0%	6 739	100.0%	4 492 145 956	67.6%	6 755 113 000	53.2%	9.8%	133	207
Weighted average		89.7%									
Current Loan to Value											
0% - 30%	194 653 642	10.2%	2 910	43.2%	1 896 605 867	19.1%	3 104 230 000	13.7%	9.7%	217	108
30% - 50%	255 714 910	13.4%	916	13.6%	645 937 463	40.4%	973 943 000	29.8%	9.7%	176	154
50% - 70%	467 771 970	24.4%	1 036	15.4%	772 459 634	61.1%	1 116 599 000	46.6%	9.6%	140	198
70% - 80%	337 883 886	17.6%	631	9.4%	450 130 286	75.2%	610 340 000	59.6%	9.7%	111	232
80% - 90%	393 656 873	20.6%	722	10.7%	462 250 274	85.3%	621 045 000	65.9%	9.8%	98	247
90% - 100%	203 818 690	10.6%	438	6.5%	217 500 931	93.8%	279 837 000	74.6%	10.0%	89	267
100%+	61 588 215	3.2%	86	1.3%	47 261 500	141.2%	49 119 000	138.8%	11.0%	142	223
Total	1 915 088 187	100.0%	6 739	100.0%	4 492 145 956	67.6%	6 755 113 000	53.2%	9.8%	133	207
Weighted average		11.8%									
Payment to income ratio											
0% - 5%	272 314 689	14.2%	2 941	43.6%	1 624 377 075	47.3%	2 823 747 000	29.7%	9.3%	180	176
5% - 10%	588 560 960	30.7%	1 881	27.9%	1 261 198 267	61.5%	1 865 002 000	45.7%	9.5%	151	194
10% - 15%	531 593 314	27.8%	1 094	16.2%	858 354 848	72.8%	1 120 324 000	58.0%	9.8%	121	216
15% - 20%	310 758 391	16.2%	509	7.6%	464 988 211	76.7%	616 498 000	64.2%	10.0%	104	223
20% - 25%	139 164 341	7.3%	210	3.1%	190 702 972	80.0%	229 448 000	70.2%	10.2%	91	241
25% - 30%	48 875 692	2.6%	64	0.9%	65 195 584	81.3%	71 782 000	76.4%	10.7%	89	244
30%+	23 820 800	1.2%	40	0.6%	27 329 000	111.5%	28 312 000	109.7%	11.3%	155	195
Total	1 915 088 187	100.0%	6 739	100.0%	4 492 145 956	67.6%	6 755 113 000	53.2%	9.8%	133	207
Weighted average		11.8%									

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/07/2019

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	Weighted average term to maturity
	R	%	R	%	R	%	R	%	%	Months	Months
Payment method											
Payroll Deduction	1 744 873 937	91.1%	6 256	92.8%	4 182 320 933	65.5%	6 339 572 000	50.4%	9.6%	131	209
Other	170 214 251	8.9%	483	7.2%	309 825 023	88.4%	415 541 000	82.0%	11.3%	160	191
Total	1 915 088 187	100.0%	6 739	100.0%	4 492 145 956	67.6%	6 755 113 000	53.2%	9.8%	133	207
Borrower employment status											
Direct Eskom	1 691 404 093	88.3%	6 110	90.7%	4 078 979 781	65.6%	6 184 459 000	50.5%	9.6%	132	208
Other group co.	223 684 095	11.7%	629	9.3%	413 166 175	82.3%	570 654 000	73.9%	11.1%	145	202
Total	1 915 088 187	100.0%	6 739	100.0%	4 492 145 956	67.6%	6 755 113 000	53.2%	9.8%	133	207
Loan balance (R'000)											
0 - 100	75 890 604	4.0%	2 516	37.3%	1 220 526 809	21.3%	2 138 054 000	11.7%	9.9%	240	83
100 -200	133 498 649	7.0%	916	13.6%	498 808 241	40.5%	830 018 000	24.1%	9.9%	203	134
200 - 300	188 397 608	9.8%	754	11.2%	436 504 889	56.5%	677 068 000	38.3%	9.8%	162	181
300 - 400	237 776 341	12.4%	684	10.1%	435 601 534	65.1%	630 546 000	47.7%	9.9%	142	200
400 -500	251 302 814	13.1%	562	8.3%	395 902 084	72.1%	555 612 000	54.2%	9.8%	131	216
500 - 700	416 732 531	21.8%	708	10.5%	623 377 433	74.4%	806 805 000	59.9%	9.8%	118	228
700 - 1000	311 038 277	16.2%	380	5.6%	453 570 501	76.3%	567 559 000	64.9%	9.6%	108	233
1000 - 1500	207 093 477	10.8%	171	2.5%	294 936 801	77.8%	391 347 000	67.5%	9.5%	95	236
1500+	93 357 886	4.9%	48	0.7%	132 917 663	78.2%	158 104 000	69.3%	9.4%	110	216
Total	1 915 088 187	100.0%	6 739	100.0%	4 492 145 956	67.6%	6 755 113 000	53.2%	9.8%	133	207
Average balance	284 180										
Interest rate											
0% - 8%	7 026 060	0.4%	13	0.2%	5 234 000	168.0%	5 360 000	166.9%	0.0%	144	213
8% - 9.5%	648 898 688	33.9%	1 631	24.2%	1 655 998 931	61.3%	2 530 756 000	46.9%	8.9%	138	197
9.5% -11.5%	1 199 540 041	62.6%	4 976	73.8%	2 757 539 024	68.2%	4 141 126 000	53.2%	10.1%	129	214
11.5% -13.5%	59 623 399	3.1%	119	1.8%	73 374 000	111.6%	77 871 000	109.1%	13.2%	167	189
Total	1 915 088 187	100.0%	6 739	100.0%	4 492 145 956	67.6%	6 755 113 000	53.2%	9.8%	133	207

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/07/2019

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	Weighted average term to maturity
	R	%	R	%	R	%	R	%	%	Months	Months
Seasoning											
0 - 12 months	14 167 576	0.7%	22	0.3%	22 535 000	71.9%	22 535 000	71.9%	10.1%	10	281
12 - 24 months	46 939 720	2.5%	70	1.0%	77 611 000	77.2%	77 611 000	77.2%	9.7%	19	267
24 - 36 months	63 855 433	3.3%	92	1.4%	105 298 200	77.5%	105 589 000	77.2%	9.8%	31	287
36 - 48 months	58 045 513	3.0%	87	1.3%	101 466 500	74.7%	105 654 000	72.1%	9.7%	43	276
48 - 60 months	57 008 304	3.0%	91	1.4%	90 701 900	75.4%	100 136 000	68.3%	9.7%	54	268
60 - 120 months	780 336 205	40.7%	1 650	24.5%	1 259 538 609	75.9%	1 659 391 000	58.7%	9.7%	94	235
120+ months	894 735 437	46.7%	4 727	70.1%	2 834 994 746	58.0%	4 684 197 000	42.9%	9.8%	193	165
Total	1 915 088 187	100.0%	6 739	100.0%	4 492 145 956	67.6%	6 755 113 000	53.2%	9.8%	133	207
Region											
Eastern Cape	92 086 069	4.8%	318	4.7%	223 246 547	74.2%	317 500 000	59.5%	10.1%	150	198
Free State	84 588 685	4.4%	349	5.2%	194 032 128	68.2%	307 332 000	53.5%	9.8%	133	210
Gauteng	839 177 871	43.8%	2 351	34.9%	1 864 667 629	66.8%	2 783 630 000	53.1%	9.6%	127	211
Kwazulu Natal	114 121 463	6.0%	449	6.7%	286 585 220	67.9%	440 160 000	53.7%	9.9%	143	203
Limpopo Province	70 423 308	3.7%	305	4.5%	164 704 387	65.7%	256 290 000	49.6%	9.9%	137	203
Mpumalanga	386 143 818	20.2%	1 744	25.9%	921 889 272	66.5%	1 397 519 000	51.9%	9.8%	140	201
North West	35 257 035	1.8%	167	2.5%	67 554 293	71.3%	130 031 000	51.1%	10.0%	144	198
Northern Cape	24 127 772	1.3%	142	2.1%	67 625 893	67.1%	103 597 000	50.9%	10.1%	143	201
Western Cape	269 162 168	14.1%	914	13.6%	701 840 587	68.9%	1 019 054 000	54.3%	9.7%	132	212
Total	1 915 088 187	100.0%	6 739	100.0%	4 492 145 956	67.6%	6 755 113 000	53.2%	9.8%	133	207
Property type											
House (Freehold)	1 538 910 245	80.4%	5 642	83.7%	3 704 232 656	66.4%	5 609 283 000	52.1%	9.8%	139	201
Multi-unit (Sectional Title)	292 505 875	15.3%	887	13.2%	516 100 353	76.3%	778 333 000	60.6%	9.7%	106	240
House (Complex)	9 824 814	0.5%	21	0.3%	18 810 000	62.7%	27 772 000	48.5%	9.7%	130	214
Small Holding	3 606 957	0.2%	13	0.2%	11 130 000	49.0%	17 109 000	33.3%	9.9%	137	169
Other	70 240 296	3.7%	176	2.6%	241 872 947	57.9%	322 616 000	48.9%	9.6%	120	211
Total	1 915 088 187	100.0%	6 739	100.0%	4 492 145 956	67.6%	6 755 113 000	53.2%	9.8%	133	207

NQABA FINANCE 1 (RF) LIMITED

Arrears analysis at determination date

	31 July 2019					30 April 2019				
	Loan balances R	%	Number of loans	%	WA interest rate %	Loan balances R	%	Number of loans	%	WA interest rate %
Fully performing										
Current	1 807 928 728	94.4%	6 453	95.8%	9.7%	1 810 819 925	94.7%	6 551	95.7%	9.6%
Non-delinquent										
0 - 1 months	12 528 664	0.7%	38	0.6%	11.4%	11 114 326	0.6%	44	0.6%	11.4%
1 - 2 months	6 835 819	0.4%	24	0.4%	11.3%	6 264 850	0.3%	24	0.4%	12.1%
2 - 3 months	5 418 030	0.3%	18	0.3%	12.0%	4 441 607	0.2%	17	0.2%	12.7%
Total	24 782 514	1.3%	80	1.2%	11.5%	21 820 783	1.1%	85	1.2%	11.9%
Deteriorated										
3 - 4 months	1 116 583	0.1%	3	0.0%	11.3%	369 093	0.0%	5	0.1%	12.3%
4 - 5 months	296 624	0.0%	2	0.0%	10.0%	318 567	0.0%	2	0.0%	11.3%
5 - 6 months	68 757	0.0%	3	0.0%	10.5%	445 195	0.0%	1	0.0%	10.0%
6 - 12 months	1 534 721	0.1%	9	0.1%	13.1%	1 280 999	0.1%	13	0.2%	11.7%
>12 months	5 777 399	0.3%	25	0.4%	5.5%	3 139 427	0.2%	22	0.3%	7.0%
Total	8 794 083	0.5%	42	0.6%	7.8%	5 553 281	0.3%	43	0.6%	8.9%
Defaulted										
Litigation	25 498 550	1.3%	44	0.7%	12.7%	29 598 014	1.5%	50	0.7%	12.9%
Other categories										
Debt review	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%
Arrangement	44 884 771	2.3%	114	1.7%	12.4%	40 760 899	2.1%	107	1.6%	12.8%
Third party attachment	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%
Properties sold	2 999 542	0.2%	5	0.1%	0.0%	2 984 219	0.2%	5	0.1%	0.0%
Properties in possession	441 578	0.0%	1	0.0%	0.0%	200 000	0.0%	1	0.0%	0.0%
Total	48 325 890	2.5%	120	1.8%	11.6%	43 945 118	2.3%	113	1.7%	11.8%
Total	1 915 329 765	100.0%	6 739	100.0%	9.8%	1 911 737 121	100.0%	6 842	100.0%	9.8%

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% of the aggregate principal balances of the home loans and shall cease when such percentage reduces to 1.5%;

		2019/07/31 R	2019/04/30 R
Aggregate principal balances on home loans as above	A	1 915 329 765	1 911 737 121
Balances which are in arrears for more than 3 months	B	8 794 083	5 553 281
Balances for which the Issuer has instituted legal proceedings	C	25 498 550	29 598 014
Total arrears for calculation purposes	D = B + C	34 292 633	35 151 295
Arrears %	E = D / A	1.79%	1.84%
Arrears reserve trigger level percentage		2.00%	2.00%
Arrears reserve trigger level value		38 306 595	38 234 742
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		8 926 591	6 583 600
Latest valuation of the related properties		18 314 419	16 626 500
Balances which are in arrears for more than 3 months	B	8 794 083	5 553 281
60% of the lower of the original valuation and latest valuation	F	5 355 955	3 950 160
Test difference between arrears and conservative value of related properties	G = B - F	3 438 128	1 603 121
Arrears reserve required amount (if value greater, no cash reserve required)	H	3 438 128	1 603 121
Changes in arrears reserve			
Opening balance		1 603 122	2 005 642
Changes reflected in Priority of Payments		1 835 006	1 432 486
Closing balance	H	3 438 128	2 005 642

Related early amortisation arrears trigger

		2019/07/31 R	2019/04/30 R
Notes in issue		1 660 000 000	1 660 000 000
Trigger per cent		2.50%	2.50%
Trigger value		41 500 000	41 500 000
Total arrears as defined above	D	34 292 633	35 151 295
Headroom (deficit)		7 207 367	6 348 705
Early amortisation arrears trigger event (D > I)		No	No

Movement in properties classified as Litigations

		2019/07/31	2019/04/30
	No of loans	R	R
Opening balance	50	29 598 014	31 423 468
Loans exit litigation	-17	(10 063 487)	(13 941 845)
Loans enter litigation	11	5 006 171	10 878 966
Repayments		-	-
Advance		79 405	160 890
Interest		827 377	1 007 107
Loan losses		-	-
Valuation fees		3 278	3 278
Capitalised insurance		47 782	66 150
Closing balance	44	25 498 550	29 598 014

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:

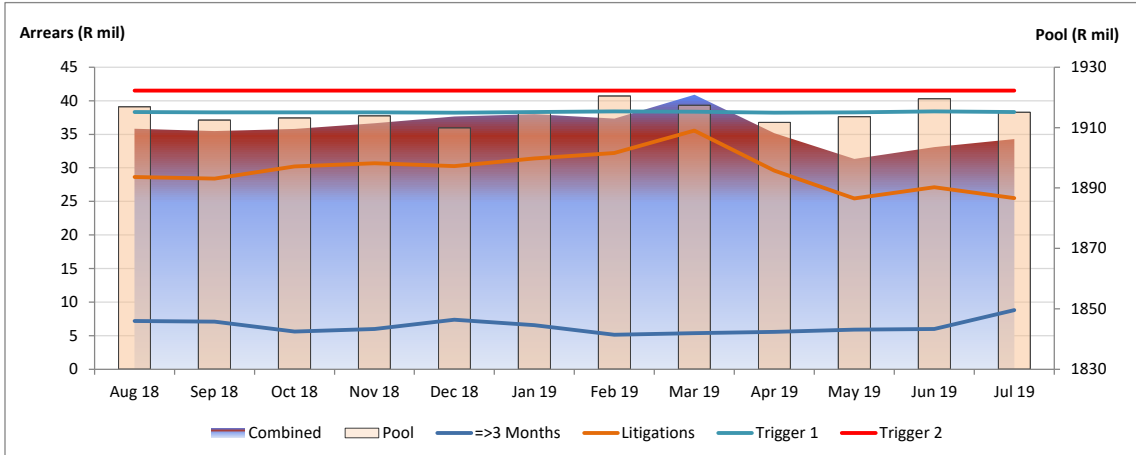
	2019/07/31 R	2019/04/30 R
Impairments applied to loan book excluding possessions	12 176 930	12 176 930
Impairments applied to possessions	200 000	200 000
Total impairments	12 376 930	12 376 930

Trends

Arrears analysis (values in R million)

End of:	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19
Pool	1917	1913	1913	1914	1910	1915	1920	1917	1912	1914	1920	1915
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	38.34	38.25	38.26	38.28	38.20	38.30	38.41	38.35	38.23	38.27	38.39	38.30
=>3 Months	7.16	7.07	5.58	5.97	7.38	6.58	5.13	5.36	5.55	5.90	5.97	8.79
Litigations	28.65	28.41	30.21	30.67	30.25	31.42	32.21	35.53	29.60	25.42	27.11	25.50
Combined	35.82	35.48	35.79	36.64	37.64	38.00	37.33	40.89	35.15	31.32	33.08	34.29
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	5.68	6.02	5.71	4.86	3.86	3.50	4.17	0.61	6.35	10.18	8.42	7.21

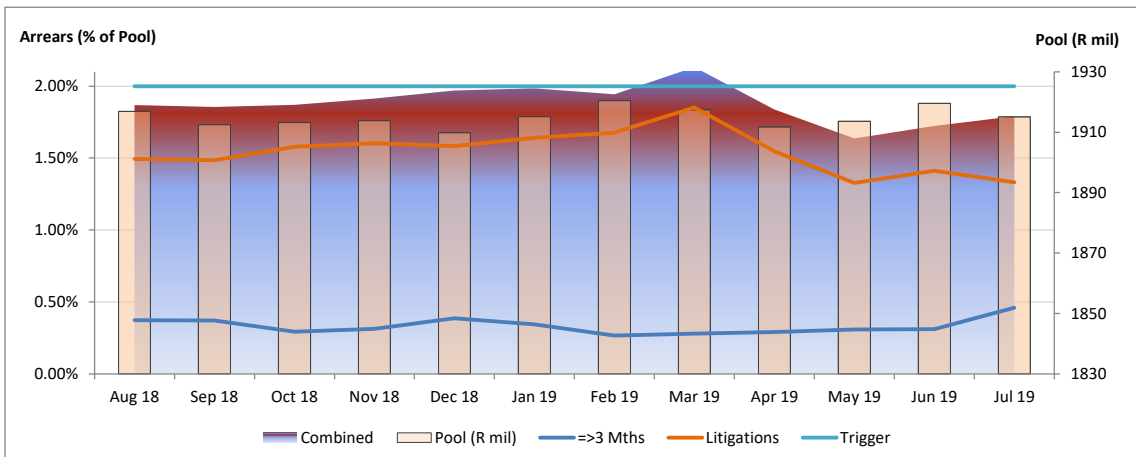
Trigger 1 (2% of principal balances) = If breached by combined arrears, an arrears reserve is required until arrears decrease to 1.5%
 Trigger 2 (2.5% of Notes) = If breached by combined arrears, early amortisation is required



Arrears analysis (percentages)

End of:	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19
Pool (R mil)	1917	1913	1913	1914	1910	1915	1920	1917	1912	1914	1920	1915
=>3 Mths	0.37%	0.37%	0.29%	0.31%	0.39%	0.34%	0.27%	0.28%	0.29%	0.31%	0.31%	0.46%
Litigations	1.49%	1.49%	1.58%	1.60%	1.58%	1.64%	1.68%	1.85%	1.55%	1.33%	1.41%	1.33%
Combined	1.87%	1.86%	1.87%	1.91%	1.97%	1.98%	1.94%	2.13%	1.84%	1.64%	1.72%	1.79%
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

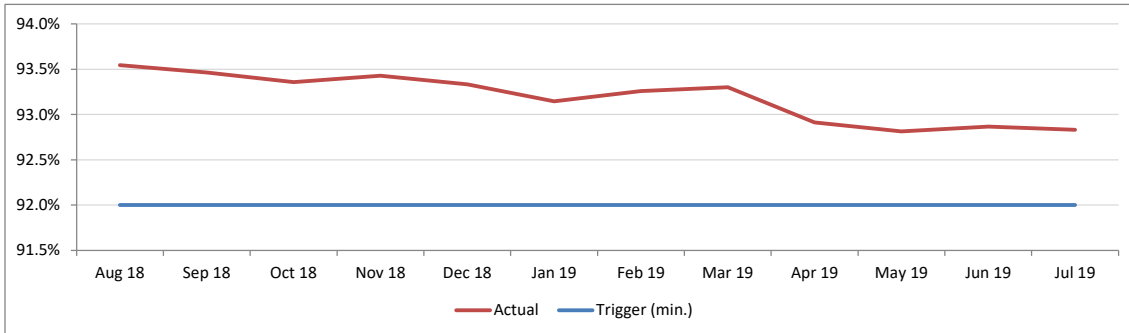


Trends

Payroll Deduction Percentage (number of borrowers)

End of:	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19
Actual	93.5%	93.5%	93.4%	93.4%	93.3%	93.1%	93.3%	93.3%	92.9%	92.8%	92.9%	92.8%
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

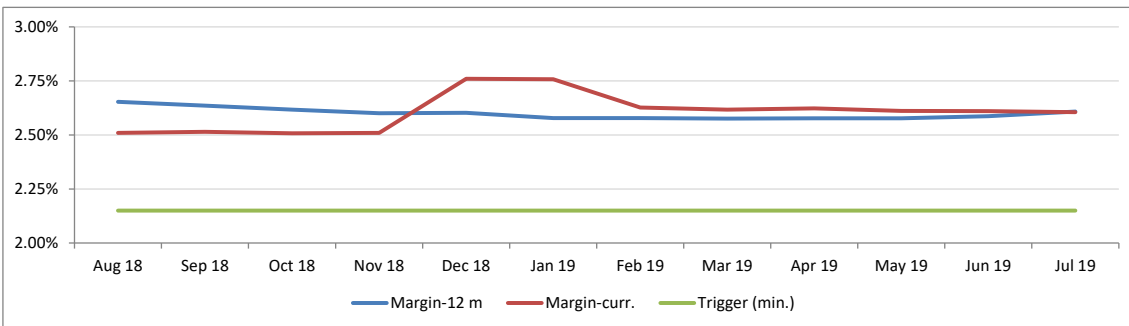


Interest rate margin

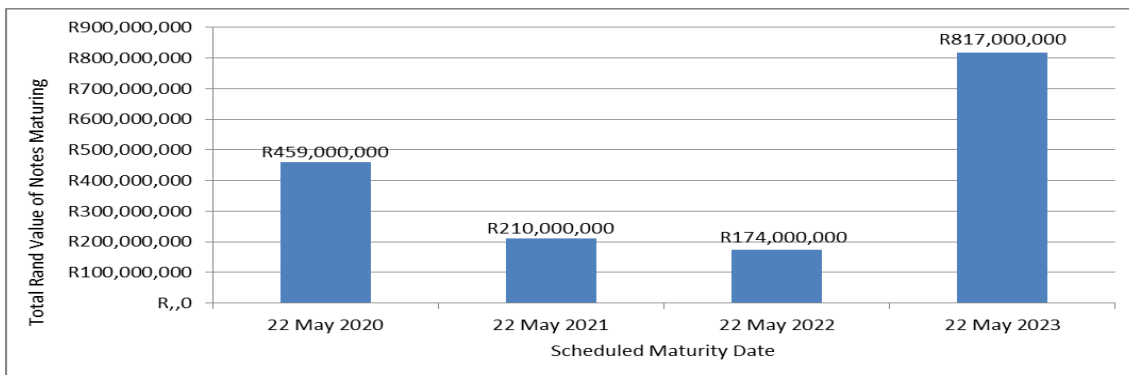
The Required Interest Rate margin between the weighted average home loan rate and the 3 month JIBAR rate is to be tested in two ways on Interest Payment date: the margin of the 12 months rolling averages of each rate and the margin of the actual rates applicable on those dates. For trend purposes, the 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 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19
12 months rolling average:												
HL-12 m	9.65%	9.63%	9.62%	9.60%	9.60%	9.60%	9.60%	9.61%	9.63%	9.65%	9.67%	9.69%
Jibar-12 m	7.00%	7.00%	7.00%	7.00%	7.00%	7.03%	7.03%	7.03%	7.05%	7.07%	7.08%	7.08%
Margin-12 m	2.65%	2.64%	2.62%	2.60%	2.60%	2.58%	2.58%	2.58%	2.58%	2.58%	2.59%	2.61%
Current month:												
HL-current	9.53%	9.53%	9.52%	9.53%	9.78%	9.78%	9.78%	9.77%	9.77%	9.76%	9.76%	9.76%
Jibar-curr.	7.02%	7.02%	7.02%	7.02%	7.02%	7.03%	7.15%	7.15%	7.15%	7.15%	7.15%	7.15%
Margin-curr.	2.51%	2.51%	2.51%	2.51%	2.76%	2.76%	2.63%	2.62%	2.62%	2.61%	2.61%	2.61%
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

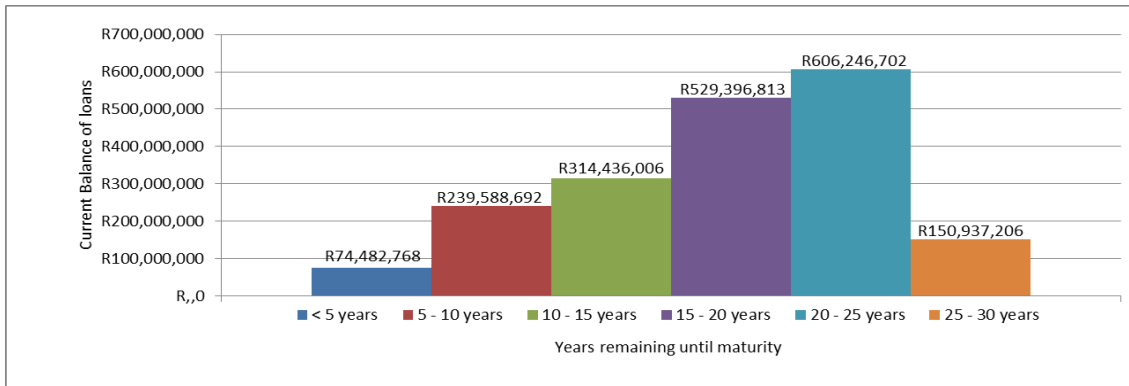


Notes maturity analysis



Trends

Asset pool maturity analysis



NQABA FINANCE 1 (RF) LIMITED

Note interest calculations for current interest payment date 22/08/2019

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	2019/05/22	2019/08/22	2020/05/22	92	Fixed	10.435%	+25 bps	10.435%	3 024 721	-	115 000 000
A24	NQ1A24	310 000 000	2019/05/22	2019/08/22	2020/05/22	92	7.158%	1.600%	2.240%	8.758%	6 843 237	-	310 000 000
A25	NQ1A25	150 000 000	2019/05/22	2019/08/22	2022/05/22	92	7.158%	1.840%	2.576%	8.998%	3 401 984	-	150 000 000
A27	NQ1A27	658 000 000	2019/05/22	2019/08/22	2023/05/22	92	7.158%	1.850%	2.590%	9.008%	14 939 953	-	658 000 000
A28	NQ1A28	210 000 000	2019/05/22	2019/08/22	2021/05/22	92	7.158%	1.500%	2.100%	8.658%	4 582 810	-	210 000 000
Totals Class A		1 443 000 000						Weighted average:		9.016%	32 792 704	-	1 443 000 000
B10	NQ1B10	11 000 000	2019/05/22	2019/08/22	2020/05/22	92	Fixed	10.635%	+55 bps	10.635%	294 866	-	11 000 000
B17	NQ1B17	8 000 000	2019/05/22	2019/08/22	2020/05/22	92	7.158%	1.820%	2.548%	8.978%	181 037	-	8 000 000
B20	NQ1B20	159 000 000	2019/05/22	2019/08/22	2023/05/22	92	7.158%	2.250%	3.150%	9.408%	3 770 417	-	159 000 000
B21	NQ1B21	24 000 000	2019/05/22	2019/08/22	22/05/2022	92	7.158%	2.000%	2.800%	9.158%	553 996	-	24 000 000
Totals Class B		202 000 000						Weighted average:		9.428%	4 800 316	-	202 000 000
C10	NQ1C10	5 000 000	2019/05/22	2019/08/22	2020/05/22	92	Fixed	10.835%	+100 bps	10.835%	136 551	-	5 000 000
C17	NQ1C17	5 000 000	2019/05/22	2019/08/22	2020/05/22	92	7.158%	2.250%	3.150%	9.408%	118 567	-	5 000 000
Totals Class C		10 000 000						Weighted average:		10.122%	255 117	-	10 000 000
D5	NQ1D5	5 000 000	2019/05/22	2019/08/22	2020/05/22	92	7.158%	3.250%	+115 bps	10.408%	131 169	-	5 000 000
Totals Class D		5 000 000						Weighted average:		10.408%	131 169	-	5 000 000
Totals all Notes		1 660 000 000						Weighted average:		9.077%	37 979 306.00	-	1 660 000 000
Subordinated loan		290 000 000	2019/05/22	2019/08/22		92	7.158%	5.000%		12.158%	8 886 998	-	290 000 000
Total funding		1 950 000 000						Weighted average interest rate all funding:		9.535%	46 866 304	-	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 22/08/2019

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	2019/05/22	2019/08/22	92	10.435%	7.158%	9.258%	3 024 721	(2 683 552)	341 169
9527542	NQ1B10	11 000 000	2019/05/22	2019/08/22	92	10.635%	7.158%	9.458%	294 866	(262 233)	32 634
9527501	NQ1C10	5 000 000	2019/05/22	2019/08/22	92	10.835%	7.158%	9.658%	136 551	(121 717)	14 833
		131 000 000				Weighted averages:	10.467%		3 456 138	(3 067 502)	388 636

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	2019/08/22 R	2019/05/22 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 21/02/2020. It has never been used.
 The fee charge is 0.45% of the facility limit.

Redraw facility	2019/08/22 R	2019/05/22 R
Facility limit	180 000 000	180 000 000
Available facility:		
Outstandings at start of period	-	-
Further amounts drawn (repaid)	-	-
Less: Outstandings at end of period	-	-
Available facility at end of period	180 000 000	180 000 000

The facility is due for renewal on 21/02/2020. It has never been used.
 The fee charge is 0.45% of the facility limit.

Early amortisation events (summary)

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:

	2019/08/22	2019/05/22
Any new tax which has a material adverse effect on the Issuer	Reference	Breach
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 notes issued by Eskom Holdings SOC Limited under its medium term note programme is downgraded to below Baa3.za.	Page 2	No

NQABA FINANCE 1 (RF) LIMITED

Principal deficiency ledger at Interest payment date

	2019/08/22 R	2019/05/22 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	-	(234 000 000)
- Class A	-	(210 000 000)
- Class B	-	-
- Class C	-	-
- Class D	-	(24 000 000)
Plus: Funds raised through refinancing	-	234 000 000
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	1 915 088 186	1 911 737 120
Plus: Home loans transferred on the next day from funds previously allocated	13 562 001	18 754 639
Total principal balances at start of current period	1 928 650 187	1 930 491 759
Amount allocated to purchase additional home loans on the immediately succeeding Payment Date *	21 349 813	19 508 241
* 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 (A - L) (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	5 000 000	5 000 000
Class E Notes	-	-
Subordinated loan	290 000 000	290 000 000
Total (D)	295 000 000	295 000 000
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)	202 000 000	202 000 000
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	1 603 121	2 194 639
Current period change	1 835 006	(591 518)
Arrears reserve at end of period	3 438 127	1 603 121

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:	
	2019/07/31	2019/04/30
	R	R
Loss before tax per income statement	(453 642)	(2 647 636)
Add back:		
Fair value adjustments	178 193	389 381
Funds from operations	<u>(275 449)</u>	<u>(2 258 255)</u>
Taxation (paid) received	-	1 073 187
Increase (decrease) in Notes including accrued interest	1 490 531	(1 093 876)
(Increase) decrease in portfolio assets including accrued interest	(3 351 066)	6 092 336
(Increase) decrease in arrears reserve funded	(424 961)	281 398
Decrease (increase) in amounts due by EFC and accounts receivable	1 301 985	(3 308 017)
(Decrease) in amounts due to EFC and accounts payable	(189 857)	(663 240)
	<u>(1 448 818)</u>	<u>123 533</u>
(Decrease) increase in funds	(1 448 818)	123 533
Funds available at beginning of the period	<u>99 315 899</u>	<u>99 192 365</u>
Funds available at end of the period to Priority of Payments	<u><u>97 867 081</u></u>	<u><u>99 315 899</u></u>

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

	2019/08/22	2019/05/22
	R	R
Cash at bank as above	97 867 081	99 315 899
Refinancing of Notes	-	234 000 000
Add: Commingling amounts subsequently received from EFC	24 659 961	25 961 946
Less: commingling amounts payable to EFC	<u>(6 247 090)</u>	<u>(6 083 505)</u>
Available cash	116 279 952	353 194 339
Payments		
1 South African Revenue Services	-	-
2 Security SPV trust, owner trust and third party payments	(3 269 696)	(4 202 325)
3 Derivative counterparty settlement received (paid)	388 636	378 518
4 Liquidity facility provider - fees	(43 372)	(41 827)
5 Redraw facility provider - fees	(235 152)	(226 770)
6 Class A to D Note holders:		
Interest on Class A notes	(32 792 704)	(31 733 316)
Surplus / (Deficit)	<u>80 327 663</u>	<u>317 368 620</u>
Interest on Class B notes	<u>(4 800 316)</u>	<u>(4 104 595)</u>
Interest payable	(4 800 316)	(4 104 595)
Less: Class B interest deferred	-	-
Interest on Class C notes	<u>(255 117)</u>	<u>(246 701)</u>
Interest payable	(255 117)	(246 701)
Less: Class C interest deferred	-	-
Interest on Class D notes	<u>(131 169)</u>	<u>(712 000)</u>
Interest payable	(131 169)	(712 000)
Less: Class D interest deferred	-	-
Surplus / (Deficit)	<u>75 141 061</u>	<u>312 305 324</u>
7 Arrears reserve (increase) decrease	(1 432 487)	(22 441)
8 Redraw facility provider	-	-
9 Matured Class A to D Note holders (classes B to D payments subject to Interest Deferral Events)	-	(234 000 000)
10 Additional home loans		
Purchase of additional home loans (per home loan sale agreement) (potential purchase amount less amount applied to item 8 above)	(13 562 001)	(18 754 639)
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	(1 915 088 186)	(1 911 737 120)
Less: Amounts applied to items 8 and 10	(13 562 001)	(18 754 639)
Required purchases reserve	<u>21 349 813</u>	<u>19 508 241</u>
	(21 349 813)	(19 508 241)
12 Class A to D Note holders: other amounts due	-	-
13 Derivative counterparty	-	-
Surplus / (Deficit)	<u>38 796 761</u>	<u>40 020 003</u>
14 Issuer expenses in excess of issuer expenses cap	-	-
15 Interest on Class E notes	-	-
16 Subordinated loan interest	(8 886 998)	(8 591 548)
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	<u>(29 909 762)</u>	<u>(31 428 455)</u>
	<u>-</u>	<u>-</u>

NQABA FINANCE 1 (RF) LIMITED

Statement of Comprehensive Income	Quarter ended	YTD	YTD
	31/07/2019	31/07/2019	30/04/2019
	R	R	R
<i>NB: These figures are derived from the unaudited management accounts and are subject to change.</i>			
Financing income	47 323 092	62 752 123	15 429 031
Financing cost	46 878 690	62 178 069	15 299 379
Financing margin	444 402	574 054	129 652
Loan losses	(390 265)	(396 138)	(5 873)
Loan losses written off	(390 265)	(396 138)	(5 873)
Impairment provisions	-	-	-
Interest received from bank	1 186 880	1 595 164	408 284
Interest swap	200 325	200 325	-
Fair value adjustments	(178 193)	(178 193)	-
Settlements received (paid)	378 518	378 518	-
Operating profit	1 441 342	1 973 405	532 062
Operating expenditure	(1 894 984)	(2 496 412)	(601 423)
Management fees	166 020	220 239	54 218
Servicer fees	830 248	1 101 407	271 159
Liquidity fees	43 344	57 427	14 083
Redraw Facility fees	234 998	311 351	76 352
Back-up Servicer fees	48 130	63 850	15 719
Audit fees	222 955	264 014	41 058
JSE fees	16 972	32 732	15 760
Bank Charges	2 736	3 636	900
Owner Trust fees	-	-	23 329
Directors fees	57 137	80 465	-
Rating fees	93 904	125 206	31 301
Rating fees (variable)	113 046	150 728	37 682
National Credit Regulator fees	24 450	32 596	8 146
Credit Ombudsman	21 754	29 005	7 251
Strate fees	19 290	23 756	4 465
Net profit/(loss) before tax	(453 642)	(523 007)	(69 360)
Taxation - normal tax	-	-	-
Taxation - deferred tax	146 441	146 441	-
Net profit/(loss) after tax	(307 201)	(376 566)	(69 360)
Dividends	-	-	-
Net profit/(loss) after distribution	(307 201)	(376 566)	(69 360)
Retained income at beginning of the period	37 558 622	37 627 985	37 627 985
Retained income at end of the period	37 251 421	37 251 419	37 558 625

Statement of Financial Position	31/07/2019	30/04/2019
	R	R
<i>NB: These figures are derived from the unaudited management accounts and are subject to change.</i>		
Assets		
Non-Current Assets	1 904 929 248	1 901 431 740
Home loan advances	1 902 269 678	1 899 360 189
Properties in possession	441 578	-
Deferred tax	2 217 992	2 071 551
Current Assets	126 277 965	128 782 000
Amounts due by EFC	24 659 961	25 961 946
Cash and cash equivalents	97 867 081	99 315 899
Arrears reserve	2 005 642	1 580 681
SA Revenue Services	39 174	39 174
Interest swap fair value	1 706 107	1 884 300
Total assets	2 031 207 213	2 030 213 740
Equity and liabilities		
Capital and reserves	37 251 523	37 558 723
Share capital	101	101
Distributable reserves	37 251 422	37 558 622
Non-current liabilities	1 985 659 144	1 984 168 614
Interest-bearing debt	1 985 659 144	1 984 168 614
Current Liabilities	8 296 546	8 486 403
Trade and other payables	2 049 456	2 402 898
Amounts due to EFC	6 247 090	6 083 505
Total equity and liabilities	2 031 207 213	2 030 213 740

Excess spread	Quarter ended:	22/08/2019	22/05/2019
	R	%	R
Average loan pool balance	1 914 981 110		1 916 181 313
Interest received to determination date	47 316 946	9.80%	9.82%
Expenses per Priority of Payments (POP)	(3 548 220)	-0.74%	-0.96%
	43 768 726	9.07%	8.86%
Note coupon less swap per POP	(37 590 671)	-7.79%	-7.79%
Excess spread before subordinated loan interest	6 178 055	1.28%	1.07%
Subordinated loan interest per POP	(8 886 998)	-1.84%	-1.84%
Excess spread	(2 708 943)	-0.56%	-0.77%

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:

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