

NQABA FINANCE 1 (RF) LIMITED

INVESTOR REPORT 24 AUGUST 2021 TO 22 NOVEMBER 2021

COVID 19 AND MARKET DISRUPTION NOTICE

The outbreak of the COVID-19 coronavirus has resulted in disruption to business activity globally and market volatility, since mid-January 2020. On 27 March 2020, South Africa's sovereign credit rating was downgraded to sub-investment grade.

These factors have contributed to the inability of Nqaba to refinance R459 million Notes which matured on 22 May 2020 and a further R210 million (original issued value) on 22 May 2021. These are not events of default.

On 31 July 2020, the aggregate principal balances of home loans owned by the Issuer which were in arrears for more than 3 months, exceeded 2.5% of the aggregate principal balances of the home loans. This is an Early Amortisation Event but is also not an event of default.

In terms of the Programme Memorandum, the Issuer has to use funds in the Pre-Enforcement Priority of Payments applicable during the Amortisation Period, to make Mandatory Redemptions in part of all notes (in reducing order of rank and pari passu if of equal rank). Consequently, the Issuer is unable to purchase further assets to top-up the pool and cannot pay interest on the subordinated loan.

In terms of the Applicable Pricing Supplements, there have been changes to the interest payable on the Matured Notes and, for certain notes, also from the start of the amortisation period, as detailed on page 12 of this report.

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Investor Report
for the period ending 22 November 2021

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The South African Securitisation Forum: <http://www.sasf.co.za/investorreporting.htm>

Eskom SOC Ltd: <http://www.eskom.co.za/OurCompany/Investors/NqabaFin1/Pages/Nquaba-Investor-Reports.aspx>

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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) long term corporate family rating	Caa1	Caa1	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 (all swaps terminated 22/05/2020)	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 (originally Revolving; Early Amortisation from 31 July 2020)
Transaction close date	Wednesday, 31 May 2006
Programme size	R5,000,000,000
Outstanding Notes	R 1 245 892 286
Note profile	Interest only; bullet redemption. From 31 July 2020, Notes are being partially redeemed as the scheme has moved to early amortisation.
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	24 August 2021 to 21 November 2021 (91 days inclusive)
Current interest payment date	Monday, 22 November 2021
Next interest payment date	Tuesday, 22 February 2022
Asset class	Residential Mortgage Backed Securities in an evergreen revolving structure. Scheme has moved to early amortisation from 31 July 2020.
Repayment type	Fully amortising equal monthly interest and principal payments
Current collection period	01 August 2021 to 31 October 2021 (92 days)
Current determination date	Sunday, 31 October 2021

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 but in the Amortising Period, funds must be applied to the redemption of Notes, so no further loans can be purchased.

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		Previous period		Transaction close	
	01/08/2021 to 31/10/2021	01/05/2021 to 31/07/2021	01/05/2021 to 31/07/2021	31/05/2006	01/05/2006	31/05/2006
Collection period:	R	Loans	R	Loans	R	Loans
Balance brought forward	1,664,903,882	5,783	1,715,329,532	5,931	-	-
Instalments received	(48,497,712)		(60,336,369)			
Interest charged	26,943,361		27,916,930			
Insurance charged	839,490		948,949			
Valuation fees	87,016		73,083			
Principal repaid	(20,627,845)		(31,397,408)			
Unscheduled repayments (prepayments)	(42,423,854)	(156)	(33,646,981)	(148)		
Total Principal collections	(63,051,700)		(65,044,389)			
New loans purchased	-	-	-	-	1,370,652,558	8,382
Advances and redraws	14,038,156		14,638,914			
Loan losses written off	(544,948)		(20,176)			
Loan losses recovered	-		-			
Interest adjustments	-		-			
Balance at end of period	1,615,345,390	5,627	1,664,903,882	5,783	1,370,652,558	8,382
Original value of loans advanced	2,107,644,910		2,149,619,442			
Latest current valuations of properties	3,892,600,645		3,974,476,612			
Weighted average number of months since last valuation	102		100			
Indexed values of properties	5,617,981,000		5,744,997,000			
Weighted average seasoning (months)	149		147		65	
Weighted average term to maturity (months)	195		197		261	
Largest asset value	3,025,885		3,007,835		N/A	
Months in the period	3		3		Since transaction close	185
Loan book balance used as denominator for CPR and DR percentages below	1,664,903,882		1,715,329,532		1,664,903,882	
Prepayments	42,423,854		33,646,981		2,611,785,124	
Annualised constant prepayment rate (CPR)	10.2%		7.8%		10.2%	
Loan losses	544,948		20,176		12,176,561	
Annualised default rate (DR)	0.131%		0.005%		0.047%	

Possessions

	Current period		Previous period	
	01/08/2021 to 31/10/2021	01/05/2021 to 31/07/2021	01/05/2021 to 31/07/2021	01/05/2021 to 31/07/2021
Collection period:	R	Loans	R	Loans
Possessions at start of period	1,150,000	2	1,591,578	3
Changes	-	-	(441,578)	(1)
Possessions at end of period	1,150,000	2	1,150,000	2

Related portfolio covenants

During the Revolving Period, 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. In the Amortising Period, no additional home loans may be acquired but the covenants are provided for comparative purposes:

	Current period		Previous period		Transaction close	
	01/08/2021 to 31/10/2021	01/05/2021 to 31/07/2021	01/05/2021 to 31/07/2021	31/05/2006	01/05/2006	31/05/2006
Collection period:	Required	Actual	Required	Actual	Required	Actual
Weighted average Original Loan to Value (%)	=< 93.0	90.3	=< 93.0	90.3	=< 93.6	92.5
Weighted average Current Loan to Value (%)	=< 73.0	66.9	=< 73.0	67.4	=< 76.5	75.9
Weighted average Payment to Income (%)	=< 18.0	9.9	=< 18.0	9.9	=< 17.4	16.5
Minimum payroll deduction (number) (%)	=> 90.0	91.0	=< 90.0	91.1	=< 97.0	100.0
Maximum second property loans (number) (%) ¹	=< 8.5	3.1	=< 8.5	3.0	=< 7.5	1.5
Minimum direct Eskom employees (number) (%)	=> 86.0	89.2	=> 86.0	89.2	=> 85.0	100.0
Average outstanding balance	=< R 400 000	R 287 070	=< R 400 000	R 287 896	=< R300 000	R 163,523

Although no portfolio covenants have been breached, the issuer may not purchase additional home loans as an Early Amortisation event has occurred.

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		Previous period		Transaction close	
	01/08/2021 to 31/10/2021	01/05/2021 to 31/07/2021	01/05/2021 to 31/07/2021	31/05/2006	01/05/2006	31/05/2006
Collection period:	Required	Actual	Required	Actual	Required	Actual
12 month rolling average rates:						
Weighted average home loan rate		6.55%		6.56%		
3 month Jibar daily rate		3.64%		3.57%		
Margin	=> 2.15%	2.91%	=> 2.15%	2.99%		
And						
Current actual rates at interest payment date:						
Weighted average home loan rate		6.51%		6.55%		9.64%
3 month Jibar rate		3.68%		3.68%		7.70%
Margin	=> 2.15%	2.84%	=> 2.15%	2.88%	=> 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		Previous period	
	01/08/2021 to 31/10/2021	01/05/2021 to 31/07/2021	01/05/2021 to 31/07/2021	01/05/2021 to 31/07/2021
Collection period:	Required	Actual	Required	Actual
Weighted average Current Loan to Value (%)	=< 83.0	66.9	=< 83.0	67.4

Result: No early amortisation events have occurred on these triggers - but see arrears trigger test result on page 8.

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/10/2021

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%	23,317,308	1.4%	142	2.5%	132,190,500	34.8%	179,218,000	28.2%	6.5%	222	116
30% - 50%	46,110,149	2.9%	223	4.0%	219,974,000	44.7%	289,573,000	39.6%	6.7%	184	153
50% - 70%	124,997,690	7.7%	456	8.1%	403,305,992	50.4%	542,565,000	44.1%	6.5%	144	176
70% - 80%	134,971,988	8.4%	395	7.0%	354,223,900	58.2%	472,864,000	49.7%	6.5%	138	196
80% - 90%	244,122,213	15.1%	611	10.9%	518,478,175	68.5%	713,011,000	59.3%	6.5%	119	214
90% - 100%	535,684,414	33.2%	1,788	31.8%	1,189,649,779	70.4%	1,726,585,000	58.6%	6.4%	138	208
100%+	506,141,627	31.3%	2,012	35.8%	1,074,778,299	72.3%	1,694,165,000	57.0%	6.6%	174	185
Total	1,615,345,390	100.0%	5,627	100.0%	3,892,600,645	66.9%	5,617,981,000	55.4%	6.5%	149	195
Weighted average		90.3%									
Current Loan to Value											
0% - 30%	160,080,071	9.9%	2,496	44.4%	1,657,063,891	18.9%	2,626,124,000	15.3%	6.4%	231	101
30% - 50%	232,518,652	14.4%	765	13.6%	582,802,870	40.8%	847,015,000	31.4%	6.4%	183	150
50% - 70%	427,939,306	26.5%	931	16.5%	709,042,994	60.9%	961,955,000	48.8%	6.4%	153	191
70% - 80%	292,633,625	18.1%	550	9.8%	389,959,129	75.1%	503,911,000	61.1%	6.5%	130	217
80% - 90%	319,535,913	19.8%	588	10.4%	378,013,300	84.6%	481,504,000	68.4%	6.6%	115	236
90% - 100%	124,262,757	7.7%	231	4.1%	133,873,962	92.9%	155,240,000	81.9%	6.7%	89	264
100%+	58,375,065	3.6%	66	1.2%	41,844,500	152.6%	42,232,000	152.1%	7.1%	175	190
Total	1,615,345,390	100.0%	5,627	100.0%	3,892,600,645	66.9%	5,617,981,000	55.4%	6.5%	149	195
Payment to income ratio											
0% - 5%	329,020,201	20.4%	2,921	51.9%	1,644,060,369	50.4%	2,729,965,000	35.0%	6.2%	188	174
5% - 10%	680,454,141	42.1%	1,716	30.5%	1,295,391,291	66.8%	1,732,729,000	53.9%	6.4%	149	198
10% - 15%	410,666,779	25.4%	695	12.4%	662,402,221	72.5%	828,937,000	62.9%	6.8%	129	209
15% - 20%	143,691,397	8.9%	202	3.6%	213,089,083	80.6%	244,301,000	75.6%	6.7%	112	205
20% - 25%	24,520,350	1.5%	42	0.7%	38,100,725	82.5%	38,528,000	82.4%	7.6%	133	192
25% - 30%	7,751,676	0.5%	13	0.2%	13,240,000	86.2%	13,658,000	84.7%	8.4%	192	101
30%+	19,240,846	1.2%	38	0.7%	26,316,956	101.0%	29,863,000	96.2%	7.4%	196	145
Total	1,615,345,390	100.0%	5,627	100.0%	3,892,600,645	66.9%	5,617,981,000	55.4%	6.5%	149	195
Weighted average		9.9%									
Payment method											
Payroll Deduction	1,434,521,946	88.8%	5,122	91.0%	3,553,413,589	64.1%	5,183,285,000	51.6%	6.4%	145	198
Other	180,823,444	11.2%	505	9.0%	339,187,056	89.0%	434,696,000	85.5%	7.6%	180	173
Total	1,615,345,390	100.0%	5,627	100.0%	3,892,600,645	66.9%	5,617,981,000	55.4%	6.5%	149	195
Borrower employment status											
Direct Eskom	1,390,590,574	86.1%	5,019	89.2%	3,473,521,239	63.8%	5,074,511,000	51.2%	6.4%	147	196
Other group co.	61,534,197	3.8%	184	3.3%	124,367,377	71.6%	166,605,000	62.2%	6.5%	117	223
Other	163,220,618	10.1%	424	7.5%	294,712,029	91.1%	376,865,000	88.1%	7.8%	180	175
Total	1,615,345,390	100%	5,627	100%	3,892,600,645	66.9%	5,617,981,000	55.4%	6.5%	149	195

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/10/2021

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current	Weighted	Indexed	Weighted	Weighted	Weighted	Weighted	
	R	%	R	%	valuation	average	valuation	average	average	average	average	
					R	LTV	R	LTV	interest	seasoning	term to	
						%		%	rate	Months	maturity	
									%		Months	
Loan balance (R'000)												
0 - 100	55,692,712	3.4%	2,121	37.7%	1,079,793,349	19.9%	1,834,201,000	11.2%	6.7%	259	73	
100 - 200	108,599,194	6.7%	744	13.2%	408,387,648	39.2%	671,792,000	24.4%	6.6%	217	130	
200 - 300	157,729,478	9.8%	637	11.3%	362,899,225	54.6%	537,803,000	38.2%	6.6%	181	165	
300 - 400	196,728,890	12.2%	564	10.0%	375,748,608	63.4%	510,628,000	47.2%	6.6%	161	187	
400 - 500	195,961,324	12.1%	438	7.8%	323,481,807	69.2%	431,512,000	54.3%	6.7%	155	197	
500 - 700	331,971,154	20.6%	566	10.1%	527,731,747	70.7%	689,338,000	58.8%	6.6%	136	212	
700 - 1000	263,065,890	16.3%	323	5.7%	380,293,126	76.6%	453,792,000	68.9%	6.4%	119	225	
1000 - 1500	233,043,319	14.4%	197	3.5%	333,884,625	77.2%	376,991,000	70.6%	6.3%	113	225	
1500+	72,553,429	4.5%	37	0.7%	100,380,509	88.8%	111,924,000	83.8%	6.0%	135	192	
Total	1,615,345,390	100.0%	5,627	100.0%	3,892,600,645	66.9%	5,617,981,000	55.4%	6.5%	149	195	
Average balance	287,070											
Interest rate												
0% - 6%	539,428,687	33.4%	1,364	24.2%	1,415,624,457	63.2%	2,063,666,000	52.4%	5.5%	154	184	
6% - 8%	1,019,470,109	63.1%	4,119	73.2%	2,394,051,941	66.7%	3,454,173,000	54.1%	6.8%	145	202	
8% - 10%	56,417,060	3.5%	143	2.5%	82,144,248	106.4%	98,947,000	105.2%	10.0%	181	176	
>10.0%	29,533	0.0%	1	0.7%	780,000	3.8%	1,195,000	2.5%	10.2%	168	72	
Total	1,615,345,390	100.0%	5,627	100.0%	3,892,600,645	66.9%	5,617,981,000	55.4%	6.5%	149	195	
Seasoning												
0 - 12 months	-	0.0%	-	0.0%	-	0.0%	-	0.0%	0.0%	-	-	
12 - 24 months	5,220,652	0.3%	8	0.1%	13,270,000	53.1%	13,270,000	53.1%	6.3%	22	203	
24 - 36 months	26,531,977	1.6%	43	0.8%	45,362,000	72.1%	45,362,000	72.1%	6.5%	30	249	
36 - 48 months	51,125,403	3.2%	74	1.3%	88,400,000	76.6%	88,400,000	76.6%	6.6%	42	260	
48 - 60 months	68,169,332	4.2%	97	1.7%	104,236,925	79.3%	104,529,000	79.2%	6.6%	54	266	
60 - 120 months	435,647,877	27.0%	786	14.0%	732,844,867	73.1%	874,814,000	62.6%	6.5%	96	232	
120+ months	1,028,650,149	63.7%	4,619	82.1%	2,908,486,854	62.9%	4,491,606,000	49.2%	6.5%	187	170	
Total	1,615,345,390	100.0%	5,627	100.0%	3,892,600,645	66.9%	5,617,981,000	55.4%	6.5%	149	195	
Region												
Eastern Cape	71,092,105	4.4%	256	4.5%	183,947,658	74.4%	254,212,000	62.2%	6.3%	167	179	
Free State	70,276,629	4.4%	288	5.1%	168,907,709	65.8%	261,806,000	53.8%	6.5%	154	189	
Gauteng	754,686,342	46.7%	2,071	36.8%	1,705,310,392	66.5%	2,430,346,000	55.9%	6.4%	141	201	
Kwazulu Natal	88,612,501	5.5%	363	6.5%	231,865,425	66.2%	349,458,000	53.5%	6.8%	165	186	
Limpopo Province	56,484,594	3.5%	252	4.5%	144,133,537	62.9%	215,844,000	49.3%	6.6%	157	189	
Mpumalanga	301,483,470	18.7%	1,411	25.1%	756,761,467	66.4%	1,116,499,000	54.2%	6.6%	159	188	
North West	31,186,092	1.9%	143	2.5%	59,832,433	70.0%	102,911,000	53.9%	6.9%	161	184	
Northern Cape	17,726,445	1.1%	109	1.9%	52,437,893	67.9%	80,475,000	53.9%	6.7%	164	183	
Western Cape	223,797,211	13.9%	734	13.0%	589,404,133	67.9%	806,430,000	55.9%	6.5%	146	201	
Total	1,615,345,390	100.0%	5,627	100.0%	3,892,600,645	66.9%	5,617,981,000	55.4%	6.5%	149	195	
Property type												
House (Freehold)	1,263,148,270	78.2%	4,631	82.3%	3,138,833,874	65.6%	4,547,496,000	54.0%	6.5%	155	189	
Multi-unit (Sectional Title)	272,972,805	16.9%	781	13.9%	481,232,969	75.5%	695,476,000	63.5%	6.5%	121	226	
House (Complex)	9,795,276	0.6%	20	0.4%	19,075,000	63.0%	27,153,000	51.1%	6.6%	149	200	
Small Holding	3,153,131	0.2%	11	0.2%	10,240,000	40.0%	14,423,000	28.3%	6.7%	159	139	
Other	66,275,908	4.1%	184	3.3%	243,218,803	58.1%	333,433,000	49.9%	6.3%	149	190	
Total	1,615,345,390	100.0%	5,627	100.0%	3,892,600,645	66.9%	5,617,981,000	55.4%	6.5%	149	195	

NQABA FINANCE 1 (RF) LIMITED

Arrears analysis at determination date

	31 October 2021			WA interest rate			31 July 2021			WA interest		
	Loan balances R	%	Number of loans	%	rate %	Loan balances R	%	Number of loans	%	interest %		
Fully performing												
Current	1,494,127,741	92.5%	5,213	92.6%	6.4%	1,543,618,652	92.7%	5,370	92.9%	6.4%		
Non-delinquent												
0 - 1 months	10,742,405	0.7%	35	0.6%	7.8%	13,832,468	0.8%	42	0.7%	7.8%		
1 - 2 months	7,709,243	0.5%	27	0.5%	7.5%	3,881,729	0.2%	23	0.4%	8.1%		
2 - 3 months	6,547,219	0.4%	22	0.4%	8.7%	3,922,540	0.2%	18	0.3%	8.1%		
Total	24,998,868	1.5%	84	1.5%	7.9%	21,636,737	1.3%	83	1.4%	7.9%		
Deteriorated												
3 - 4 months	354,806	0.0%	6	0.1%	8.0%	690,559	0.0%	7	0.1%	6.8%		
4 - 5 months	5,977	0.0%	6	0.1%	6.8%	28,043	0.0%	5	0.1%	9.3%		
5 - 6 months	868,086	0.1%	9	0.2%	9.7%	775,115	0.0%	5	0.1%	10.0%		
6 - 12 months	2,514,357	0.2%	37	0.7%	8.2%	1,343,090	0.1%	33	0.6%	9.5%		
>12 months	5,095,382	0.3%	84	1.5%	6.5%	4,281,669	0.3%	81	1.4%	6.0%		
Total	8,838,608	0.5%	142	2.5%	7.4%	7,118,476	0.4%	131	2.3%	7.2%		
Defaulted												
Litigation	40,452,552	2.5%	63	1.1%	7.6%	35,232,150	2.1%	60	1.0%	9.2%		
Other categories												
Debt review	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%		
Arrangement	43,025,227	2.7%	117	2.1%	8.0%	51,804,934	3.1%	129	2.2%	8.7%		
Third party attachment	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%		
Properties sold	2,752,393	0.2%	6	0.1%	0.0%	4,342,931	0.3%	8	0.1%	0.0%		
Properties in possession	1,150,000	0.1%	2	0.0%	0.0%	1,150,000	0.1%	2	0.0%	0.0%		
Total	46,927,621	2.9%	125	2.2%	7.4%	57,297,865	3.4%	139	2.4%	7.9%		
Total	1,615,345,390	100.0%	5,627	100.0%	6.5%	1,664,903,882	100.0%	5,783	100.0%	6.6%		

Movement in properties classified as Litigations

Quarter ended:	31 October 2021			31 July 2021		
	R		Number	R		Number
Opening balance	35,232,150		60	37,961,377		60
Loans exit litigation	(5,119,079)		(10)	(10,362,654)		(16)
Loans enter litigation	9,159,905		13	6,488,002		16
Repayments	(3,500)			(6,000)		
Advance	269,208			190,751		
Interest	815,537			870,748		
Loan losses	-			-		
Valuation fees	6,555			8,740		
Capitalised insurance	91,776			81,186		
Closing balance	40,452,552		63	35,232,150		60

Provisions

Nqaba establishes an allowance for impairment of the loan book that represents its estimate of incurred losses in terms of IFRS 9: Financial Instruments, based on an expected credit loss (ECL) model. The company applies lifetime ECL measurement if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and applies a 12-month ECL measurement if it has not. The amounts shown in the company's Management Reports are:

	31/10/2021 R	31/07/2021 R
Impairments applied to loan book excluding possessions	9,803,609	10,667,222
Impairments applied to possessions	168,934	257,779
Total impairments	9,972,543	10,925,001

Arrears reserve triggers

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%;

		31/10/2021 R	31/07/2021 R
Aggregate principal balances on home loans as above	A	1,615,345,390	1,664,903,882
Balances which are in arrears for more than 3 months	B	8,838,608	7,118,476
Balances for which the Issuer has instituted legal proceedings	C	40,452,552	35,232,150
Total arrears for calculation purposes	D = B + C	49,291,160	42,350,626
Arrears %	E = D / A	3.05%	2.54%
Arrears reserve trigger level percentage		2.00%	2.00%
Arrears reserve trigger level value		32,306,908	33,298,078
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		47,957,974	44,795,407
Latest valuation of the related properties		94,477,416	89,871,975
Balances which are in arrears for more than 3 months	B	8,838,608	7,118,476
60% of the lower of the original valuation and latest valuation	F	28,774,784	26,877,244
Test difference between arrears and conservative value of related properties	G = B - F	(19,936,176)	(19,758,768)
If an Early Amortisation event has occurred, all funds in the reserve to be applied in accordance with the Pre-Enforcement Priority of Payments during the Amortising Period		Yes	Yes
Arrears reserve required amount (if value greater, no cash reserve required)	H	-	-
Changes in arrears reserve			
Opening balance		-	-
Changes reflected in Priority of Payments		-	-
Closing balance	H	-	-

Related early amortisation arrears trigger

		31/10/2021 R	31/07/2021 R
Loan book balance		1,615,345,390	1,664,903,882
Trigger per cent		2.50%	2.50%
Trigger value	I	40,383,635	41,622,597
Total arrears as defined above	D	49,291,160	42,350,626
Headroom (deficit)		(8,907,526)	(728,029)
Early amortisation arrears trigger event (D > I)		Yes	Yes

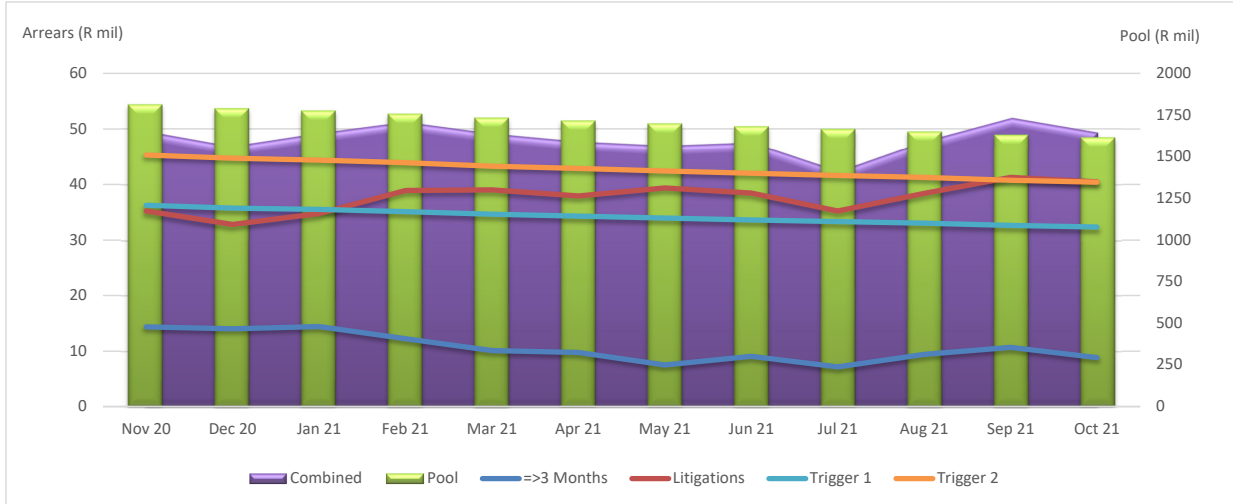
Trends

Arrears analysis (values in R million)

End of:	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21
Pool	1811	1789	1776	1756	1732	1715	1698	1681	1665	1651	1632	1615
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	36.23	35.77	35.52	35.13	34.64	34.31	33.96	33.62	33.30	33.02	32.63	32.31
=>3 Months	14.34	13.99	14.42	12.25	10.11	9.73	7.51	9.05	7.12	9.38	10.69	8.84
Litigations	35.23	32.80	34.77	38.94	39.02	37.96	39.40	38.45	35.23	38.40	41.24	40.45
Combined	49.57	46.80	49.20	51.19	49.12	47.69	46.91	47.50	42.35	47.77	51.93	49.29
Trigger 1 diff	-13.34	-11.02	-13.67	-16.06	-14.48	-13.39	-12.95	-13.88	-9.05	-14.75	-19.30	-16.98
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	45.28	44.72	44.40	43.91	43.31	42.88	42.45	42.02	41.62	41.28	40.79	40.38
Trigger 2 diff	-4.29	-2.08	-4.79	-7.28	-5.82	-4.81	-4.46	-5.48	-0.73	-6.50	-11.14	-8.91

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

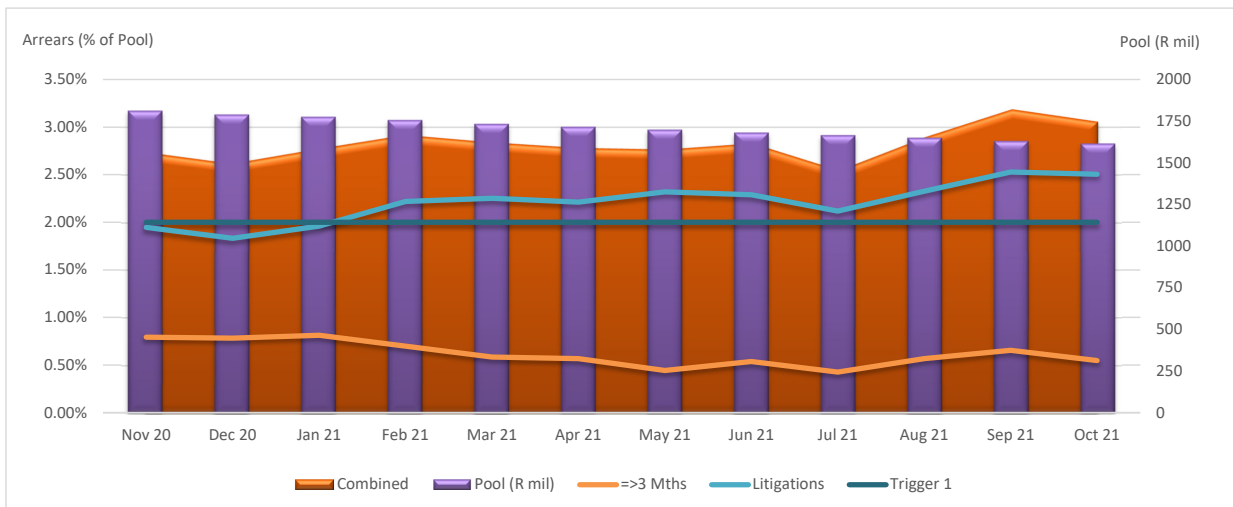
Trigger 2 (2.5% of Pool) = If breached by combined arrears, early amortisation is required (from July 2020)



Arrears analysis (percentages)

End of:	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21
Pool (R mil)	1811	1789	1776	1756	1732	1715	1698	1681	1665	1651	1632	1615
=>3 Mths	0.79%	0.78%	0.81%	0.70%	0.58%	0.57%	0.44%	0.54%	0.43%	0.57%	0.66%	0.55%
Litigations	1.95%	1.83%	1.96%	2.22%	2.25%	2.21%	2.32%	2.29%	2.12%	2.33%	2.53%	2.50%
Combined	2.74%	2.62%	2.77%	2.91%	2.84%	2.78%	2.76%	2.83%	2.54%	2.89%	3.18%	3.05%
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 (combined arrears) = If breached, an arrears reserve is required until arrears decrease to 1.5%

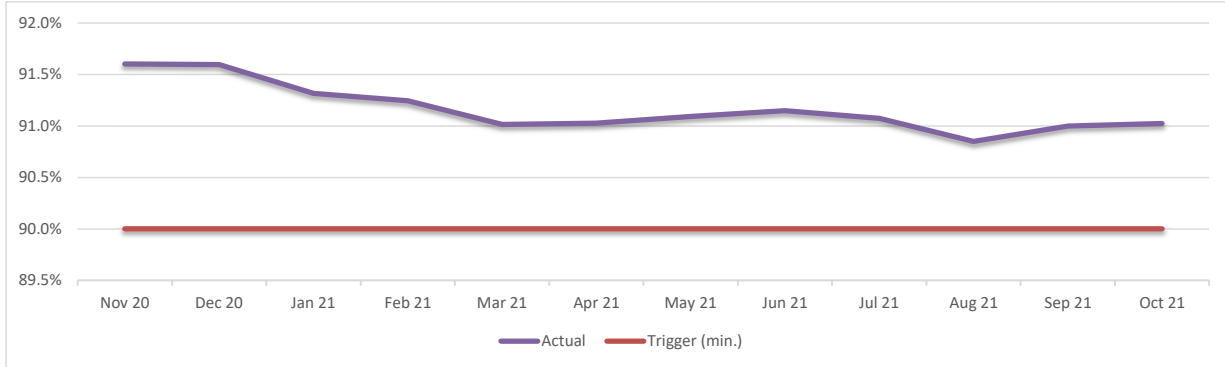


Trends

Payroll Deduction Percentage (number of borrowers)

End of:	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21
Actual	91.6%	91.6%	91.3%	91.2%	91.0%	91.0%	91.1%	91.1%	91.1%	90.8%	91.0%	91.0%
Trigger (min.)	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%

Trigger = If breached, purchase of additional home loans prohibited

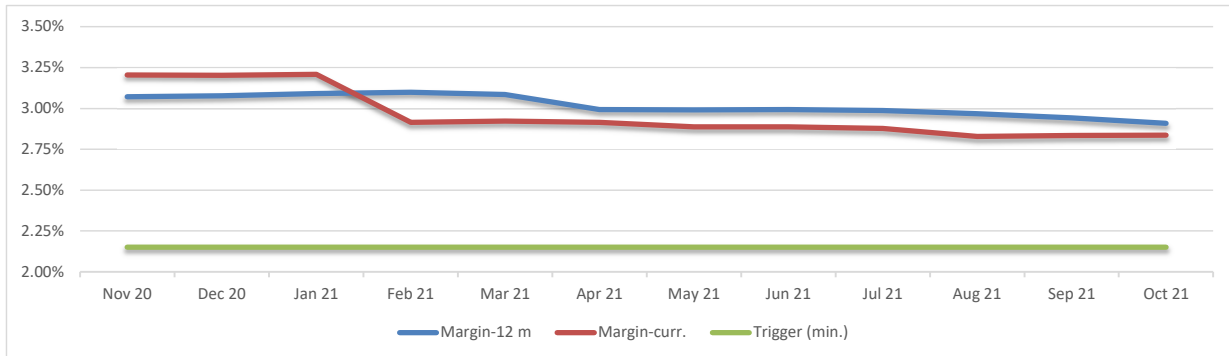


Interest rate margin

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:	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21
12 months rolling average:												
HL-12 m	7.79%	7.55%	7.30%	7.08%	6.85%	6.65%	6.59%	6.58%	6.56%	6.55%	6.55%	6.55%
Jibar-12 m	4.72%	4.47%	4.21%	3.98%	3.77%	3.66%	3.60%	3.58%	3.57%	3.58%	3.61%	3.64%
Margin-12 m	3.07%	3.08%	3.09%	3.10%	3.09%	2.99%	2.99%	2.99%	2.99%	2.97%	2.94%	2.91%
Current month:												
HL-current	6.55%	6.55%	6.56%	6.56%	6.56%	6.56%	6.56%	6.56%	6.55%	6.50%	6.51%	6.51%
Jibar-curr.	3.35%	3.35%	3.35%	3.64%	3.64%	3.64%	3.68%	3.68%	3.68%	3.68%	3.68%	3.68%
Margin-curr.	3.20%	3.20%	3.21%	2.92%	2.92%	2.92%	2.89%	2.89%	2.88%	2.83%	2.83%	2.84%
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



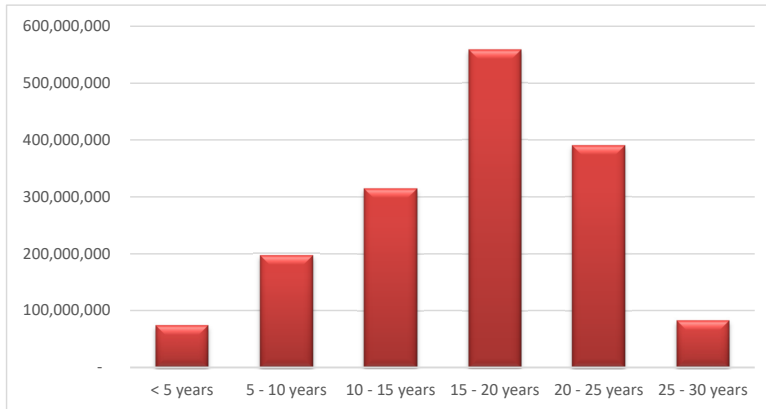
Trends

Notes maturity analysis



Maturity date	Current value
22 May 2020	314,050,582
22 May 2021	154,476,179
22 May 2022	134,340,136
22 May 2023	643,025,389
Total	R 1,245,892,286

Asset pool maturity analysis



Loan maturity	Current balance
< 5 years	74,292,035
5 - 10 years	195,910,653
10 - 15 years	314,974,114
15 - 20 years	558,151,495
20 - 25 years	389,805,037
25 - 30 years	82,212,056
Total	R 1,615,345,390

NQABA FINANCE 1 (RF) LIMITED

Principal deficiency ledger at Interest payment date

	22/11/2021 R	23/08/2021 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	1,302,061,300	1,360,162,525
Less: Amount allocated for the redemption of notes	(56,169,014)	(58,101,225)
- Class A	(56,169,014)	(58,101,225)
- Class B	-	-
- Class C	-	-
- Class D	-	-
Plus: Funds raised through refinancing	-	-
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)	1,245,892,286	1,302,061,300
Assets		
Aggregate principal balances of home loans on the last day of the immediately preceding Collection Period	1,615,345,390	1,664,903,882
Plus: Home loans transferred on the next day from funds previously allocated	-	-
Total principal balances at start of current period	1,615,345,390	1,664,903,882
Amount allocated to purchase additional home loans on the immediately succeeding Payment Date *	-	-
* For practical reasons, transfers occur at the start of the next Collection Period	-	-
Total assets (A)	1,615,345,390	1,664,903,882
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	-	-
Current period change	-	-
Arrears reserve at end of period	-	-

The arrears reserve had been funded since the required date but as an Early Amortisation event has occurred, the funds have been applied in accordance with the Pre-Enforcement Priority of Payments during the Amortising Period. 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:	
	31/10/2021	31/07/2021
	R	R
Profit before tax per income statement	2,537,105	1,290,036
Add back:		
Fair value adjustments	-	-
Funds from operations	<u>2,537,105</u>	<u>1,290,036</u>
Taxation paid	(220,829)	-
(Decrease) in Notes and sub-loan including accrued interest	(53,654,707)	(61,177,361)
Decrease in portfolio assets including accrued interest	48,606,034	50,425,654
(Increase) in arrears reserve funded	-	-
(Increase) decrease in amounts due by EFC and accounts receivable	(1,247,181)	456,907
Increase (decrease) in amounts due to EFC and accounts payable	1,186,400	(1,918,363)
Decrease in funds	<u>(2,793,178)</u>	<u>(10,923,127)</u>
Funds available at beginning of the period	<u>65,407,141</u>	<u>76,330,268</u>
Funds available at end of the period to Priority of Payments	<u><u>62,613,963</u></u>	<u><u>65,407,141</u></u>

Pre-Enforcement Priority of Payments during the Amortising period at Interest payment date

NB: The Amortising period started on 31 July 2020

	22/11/2021	23/08/2021
	R	R
Cash at bank as above	62,613,963	65,407,141
Add: Commingling amounts subsequently received from EFC	19,754,361	18,215,346
Less: commingling amounts payable to EFC	(4,383,244)	(3,386,584)
Available cash	<u>77,985,080</u>	<u>80,235,903</u>
Payments		
1 South African Revenue Services	-	-
2 Security SPV trust, owner trust and third party payments	(3,122,596)	(2,622,786)
3 Derivative counterparty settlement received (paid)	-	-
4 Liquidity facility provider - fees	(40,461)	(40,461)
5 Redraw facility provider - fees	(174,178)	(174,178)
6 Class A to D Note holders:		
Interest on Class A notes	(15,284,335)	(16,102,757)
Surplus / (Deficit)	<u>59,363,510</u>	<u>61,295,721</u>
Interest on Class B notes	<u>(2,973,541)</u>	<u>(2,973,541)</u>
Interest payable	(2,973,541)	(2,973,541)
Less: Class B interest deferred	-	-
Interest on Class C notes	<u>(160,808)</u>	<u>(160,808)</u>
Interest payable	(160,808)	(160,808)
Less: Class C interest deferred	-	-
Interest on Class D notes	<u>(60,147)</u>	<u>(60,147)</u>
Interest payable	(60,147)	(60,147)
Less: Class D interest deferred	-	-
Surplus / (Deficit)	<u>56,169,014</u>	<u>58,101,225</u>
7 Redraw facility provider	-	-
8 Class A to D Note holders principal repayments	<u>(56,169,014)</u>	<u>(58,101,225)</u>
	<u><u>-</u></u>	<u><u>-</u></u>

NQABA FINANCE 1 (RF) LIMITED

Statement of Comprehensive Income	YTD 31/10/2021 R	YTD 31/07/2021 R
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NB: These figures are derived from the unaudited management accounts and are subject to change.

Financing income	64,159,615	37,217,379
Financing cost	56,414,967	32,671,196
Financing margin	7,744,648	4,546,184
Loan losses	(387,334)	20,176
Loan losses written off	565,124	20,176
Impairment provisions	(952,458)	-
Loan Losses recovered	492,954	122,284
Interest received from bank	862,479	530,978
Interest (paid) / received from SARS	-	-
Interest swap	-	-
Fair value adjustments	-	-
Settlements received (paid)	-	-
Operating profit	9,487,416	5,179,270
Operating expenditure	(4,995,065)	(3,224,025)
Bank Charges	8,222	5,093
Management fees	340,134	197,154
Servicer fees	1,692,544	979,065
Liquidity fees	214,549	128,193
Redraw Facility fees	1,051,124	628,648
Back-up Servicer fees	98,118	56,757
Audit fees	499,376	298,126
JSE fees	101,798	57,615
Directors' and owner trust fees	296,224	166,098
Rating fees (Annual)	485,835	276,710
Rating fees (Subsequent)	47,614	339,015
Safe Custody and Settlement Agent fees	-	-
National Credit Regulator fees	55,162	32,120
Credit Ombudsman	57,655	32,138
Strate fees	46,710	27,291
Bond issue fees	-	-
Legal Fees	-	-
Net profit before tax	4,492,351	1,955,246
Taxation - normal tax	(220,829)	-
Taxation - deferred tax	(1,037,030)	(547,469)
Tax Penalties	-	-
Net profit after tax	3,234,493	1,407,777
Dividends	-	-
Net profit after distribution	3,234,493	1,407,777
Retained income at beginning of the financial year	39,396,385	39,396,385
Retained income at end of the period	42,630,878	40,804,162

Statement of Financial Position	31/10/2021 R	31/07/2021 R
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NB: These figures are derived from the unaudited management accounts and are subject to change.

Assets

Non-Current Assets	1,519,171,314	1,568,443,295
Home loan advances	1,515,776,210	1,564,647,474
Properties in possession	981,066	892,221
Deferred tax	2,414,038	2,903,599
Current Assets	171,144,271	172,513,882
Home loan advances	88,615,570	88,439,184
Amounts due by EFC	19,754,361	18,215,346
Cash and cash equivalents	62,613,963	65,407,141
SA Revenue Services	7	7
Prepayments	160,370	452,205
Total assets	1,690,315,585	1,740,957,177

Equity and liabilities

Capital and reserves	42,630,979	40,804,263
Share capital	101	101
Distributable reserves	42,630,878	40,804,162
Non-current liabilities	1,362,955,257	1,415,779,815
Interest-bearing debt	1,072,955,257	1,125,779,815
Subordinated loan	290,000,000	290,000,000
Current Liabilities	284,729,349	284,373,099
Interest-bearing debt	243,116,987	248,822,044
Subordinated loan	34,497,922	29,623,014
Trade and other payables	2,731,196	2,541,456
Amounts due to EFC	4,383,244	3,386,584
SA Revenue Services	-	-
Total equity and liabilities	1,690,315,585	1,740,957,177

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.)

NQABA FINANCE 1 (RF) LIMITED

Abridged glossary of definitions

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)
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.)

NQABA FINANCE 1 (RF) LIMITED

Abridged glossary of definitions

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)
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 of incorporation of the Issuer and the Security SPV and agreements that may be entered into from time to time with Approved Originators