

# **NQABA FINANCE 1 (RF) LIMITED**

## **INVESTOR REPORT 23 AUGUST 2023 TO 22 NOVEMBER 2023**

### **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 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.

With effect from 22 May 2023, all Notes have matured and have not been refinanced.

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 2023**

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Eskom Holdings SOC Ltd: <https://www.eskom.co.za/investors/nqaba-finance-1-rf-ltd/>

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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: Stonehage Fleming Corporate Services (Pty) Ltd)			
Security SPV	Nqaba Finance 1 Security SPV (RF) (Pty) Ltd			
Security SPV Owner Trust	Nqaba Finance 1 Security SPV Owner Trust (Trustee: Maitland Group South Africa Ltd)			
Programme manager	Absa Corporate and Investment Bank (Absa CIB) (a division of Absa Bank Ltd (Absa)) <sup>1</sup>			
Back-up servicer	Absa Home Loans (a division of Absa)			
Rating agency (Notes)	GCR Ratings from April 2022	<b>Moody's ratings</b>		
Originator and Seller	Eskom Finance Company SOC Limited (EFC) <sup>2</sup>	<b>Required</b>	<b>Current</b>	<b>Breach</b>
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

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

<sup>2</sup> 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 881 866 745
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	23 August 2023 to 21 November 2023 (92 days inclusive)
Current interest payment date	Wednesday, 22 November 2023
Next interest payment date	Thursday, 22 February 2024
Asset class	Residential Mortgage Backed Securities in an evergreen revolving structure. Scheme moved to early amortisation from 31 July 2020.
Repayment type	Fully amortising equal monthly interest and principal payments
Current collection period	01 August 2023 to 31 October 2023 (92 days)
Current determination date	Tuesday, 31 October 2023

#### 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	
	01/08/2023 to 31/10/2023		01/05/2023 to 31/07/2023		31/05/2006	
Collection period:	R	Loans	R	Loans	R	Loans
<b>Balance brought forward</b>	1 347 227 987	4 609	1 376 122 480	4 774	-	-
Instalments received	(51 500 578)		(51 971 572)			
Interest charged	37 529 694		37 712 306			
Insurance charged	6 215 037		5 858 938			
Valuation fees	43 631		87 101			
Principal repaid	(7 712 216)		(8 313 228)			
Unscheduled repayments (prepayments)	(35 915 982)	(173)	(35 319 654)	(165)		
Total Principal collections	(43 628 198)		(43 632 882)			
New loans purchased	-	-	-	-	1 370 652 558	8 382
Advances and redraws	12 923 329		15 971 287			
Loan losses written off	(572 949)		(1 232 899)			
Loan losses recovered	-		-			
Interest adjustments	-		-			
<b>Balance at end of period</b>	<b>1 315 950 168</b>	<b>4 436</b>	<b>1 347 227 987</b>	<b>4 609</b>	<b>1 370 652 558</b>	<b>8 382</b>
Original value of loans advanced	1 774 529 984		1 817 205 412			
Latest current valuations of properties	3 191 339 740		3 303 258 015			
Weighted average number of months since last valuation	114		112			
Indexed values of properties	5 656 783 000		4 661 959 000			
Weighted average seasoning (months)	169		167		65	
Weighted average term to maturity (months)	181		182		261	
Largest asset value	3 227 630		3 080 762		N/A	
Months in the period	3		3		Since transaction close	
Loan book balance used as denominator for CPR and DR percentages below	1 347 227 987		1 376 122 480		209	
Prepayments	35 915 982		35 319 654		1 347 227 987	
Annualised constant prepayment rate (CPR)	10.7%		10.3%		2 904 364 377	
Loan losses	572 949		1 232 899		12.4%	
Annualised default rate (DR)	0.170%		0.358%		18 221 584	
					0.078%	

**Properties in possession**

	Current period		Previous period	
	01/08/2023 to 31/10/2023		01/05/2023 to 31/07/2023	
Collection period:	R	Loans	R	Loans
Properties in possession at start of period	1 298 000	3	1 298 000	3
Changes	-	-	-	-
Properties in possession at end of period	<b>1 298 000</b>	<b>3</b>	<b>1 298 000</b>	<b>3</b>

**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 still applicable to redraws and further advances:

	Current period		Previous period		Transaction close	
	01/08/2023 to 31/10/2023		01/05/2023 to 31/07/2023		31/05/2006	
Collection period:	Required	Actual	Required	Actual	Required	Actual
Weighted average Original Loan to Value (%)	=< 93.0	90.9	=< 93.0	90.7	=< 93.6	92.5
Weighted average Current Loan to Value (%)	=< 73.0	66.3	=< 73.0	66.0	=< 76.5	75.9
Weighted average Payment to Income (%)	=< 18.0	13.1	=< 18.0	13.1	=< 17.4	16.5
Minimum payroll deduction (number) (%) <sup>1</sup>	=> 87.0	88.8	=> 87.0	88.8	=> 97.0	100.0
Maximum second property loans (number) (%) <sup>2</sup>	=< 8.5	3.6	=< 8.5	3.5	=< 7.5	1.5
Minimum direct Eskom employees (number) (%) <sup>3</sup>	=> 84.0	87.3	=> 84.0	87.3	=> 85.0	100.0
Average outstanding balance	=< R 400 000	R 296 652	=< R 400 000	R 292 277	=< R 300 000	R 163 523

<sup>1</sup> This percentage was changed with effect 26/08/2022 and 30/11/2022 <sup>2</sup> Includes second property loans in EFC loan book <sup>3</sup> This percentage changed with effect 30/11/2022.

**As noted above, the issuer was already restricted from purchasing 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	
	01/08/2023 to 31/10/2023		01/05/2023 to 31/07/2023		31/05/2006	
Collection period:	Required	Actual	Required	Actual	Required	Actual
12 month rolling average rates:						
Weighted average home loan rate		10.59%		9.98%		
3 month Jibar daily rate		7.86%		7.27%		
Margin	=> 2.15%	2.73%	=> 2.15%	2.70%		
<b>And</b>						
Current actual rates at interest payment date:						
Weighted average home loan rate		11.22%		11.20%		9.64%
3 month Jibar rate		8.39%		8.11%		7.70%
Margin	=> 2.15%	2.82%	=> 2.15%	3.09%	=> 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	
	01/08/2023 to 31/10/2023		01/05/2023 to 31/07/2023	
Collection period:	Required	Actual	Required	Actual
Weighted average Current Loan to Value (%)	=< 83.0	66.3	=< 83.0	66.0

**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 31/10/2023**

Red figures correspond to current portfolio covenant tests

	Current balance R	%	Number of loans R	%	Latest current valuation R	Weighted average current LTV %	Indexed valuation * R	Weighted average indexed LTV %	Weighted average interest rate %	Weighted average seasoning Months	Weighted average term to maturity Months
<b>Original Loan to Value</b>											
0% - 30%	15 711 893	1.2%	96	2.2%	90 553 000	37.3%	144 714 000	26.7%	10.8%	251	108
30% - 50%	32 902 593	2.5%	157	3.5%	157 035 000	40.2%	267 946 000	28.7%	11.3%	198	153
50% - 70%	95 688 989	7.3%	334	7.5%	319 520 450	50.2%	516 599 000	38.8%	11.3%	158	163
70% - 80%	116 029 755	8.8%	296	6.7%	276 287 900	60.0%	456 773 000	45.3%	11.2%	155	184
80% - 90%	193 837 338	14.7%	467	10.5%	419 145 955	66.8%	684 603 000	49.9%	11.2%	138	198
90% - 100%	435 027 879	33.1%	1 409	31.8%	989 677 247	68.4%	1 747 558 000	48.7%	11.2%	158	192
100%+	426 751 721	32.4%	1 677	37.8%	939 120 188	72.2%	1 838 590 000	49.3%	11.3%	196	169
<b>Total</b>	<b>1 315 950 168</b>	<b>100.0%</b>	<b>4 436</b>	<b>100.0%</b>	<b>3 191 339 740</b>	<b>66.3%</b>	<b>5 656 783 000</b>	<b>47.3%</b>	<b>11.2%</b>	<b>169</b>	<b>181</b>
<b>Weighted average</b>		<b>90.9%</b>									
<b>Current Loan to Value</b>											
0% - 30%	128 631 540	9.8%	1 896	42.7%	1 328 102 265	19.2%	2 646 687 000	13.0%	11.1%	238	97
30% - 50%	215 477 905	16.4%	631	14.2%	533 900 924	41.2%	923 211 000	27.7%	11.2%	200	141
50% - 70%	371 859 445	28.3%	822	18.5%	613 854 472	61.1%	1 008 911 000	41.4%	11.2%	170	179
70% - 80%	268 374 140	20.4%	514	11.6%	356 851 486	75.3%	551 007 000	52.3%	11.3%	147	210
80% - 90%	214 108 263	16.3%	413	9.3%	254 369 493	84.3%	399 601 000	56.2%	11.4%	130	224
90% - 100%	60 606 101	4.6%	95	2.1%	65 326 600	92.8%	85 324 000	74.4%	11.5%	126	238
100%+	56 892 773	4.3%	65	1.5%	38 934 500	162.1%	42 042 000	152.2%	10.4%	181	171
<b>Total</b>	<b>1 315 950 168</b>	<b>100.0%</b>	<b>4 436</b>	<b>100.0%</b>	<b>3 191 339 740</b>	<b>66.3%</b>	<b>5 656 783 000</b>	<b>47.3%</b>	<b>11.2%</b>	<b>169</b>	<b>181</b>
<b>Payment to income ratio</b>											
0% - 5%	168 830 167	12.8%	2 033	45.8%	1 136 516 140	43.7%	2 445 312 000	23.6%	10.9%	217	147
5% - 10%	448 346 989	34.1%	1 283	28.9%	947 855 049	61.4%	1 651 695 000	39.7%	11.1%	182	176
10% - 15%	388 839 925	29.5%	689	15.5%	655 679 507	69.0%	964 081 000	49.1%	11.2%	154	190
15% - 20%	175 929 319	13.4%	246	5.5%	262 436 227	80.2%	363 970 000	65.2%	11.4%	141	198
20% - 25%	71 438 693	5.4%	88	2.0%	105 250 509	75.8%	127 614 000	64.0%	11.6%	129	204
25% - 30%	23 879 073	1.8%	34	0.8%	32 254 725	92.0%	36 584 000	86.6%	11.7%	157	173
30%+	38 686 001	2.9%	63	1.4%	51 347 582	96.5%	67 527 000	83.6%	11.2%	172	179
<b>Total</b>	<b>1 315 950 168</b>	<b>100.0%</b>	<b>4 436</b>	<b>100.0%</b>	<b>3 191 339 740</b>	<b>66.3%</b>	<b>5 656 783 000</b>	<b>47.3%</b>	<b>11.2%</b>	<b>169</b>	<b>181</b>
<b>Weighted average</b>		<b>13.1%</b>									
<b>Payment method</b>											
Payroll Deduction	1 126 261 576	85.6%	3 938	88.8%	2 837 610 555	62.1%	5 122 716 000	41.7%	11.1%	165	184
Other	189 688 592	14.4%	498	11.2%	353 729 185	91.1%	534 067 000	80.6%	11.9%	192	163
<b>Total</b>	<b>1 315 950 168</b>	<b>100.0%</b>	<b>4 436</b>	<b>100.0%</b>	<b>3 191 339 740</b>	<b>66.3%</b>	<b>5 656 783 000</b>	<b>47.3%</b>	<b>11.2%</b>	<b>169</b>	<b>181</b>
<b>Borrower employment status</b>											
Direct Eskom	1 094 393 544	83.2%	3 872	87.3%	2 788 096 212	61.8%	5 041 041 000	41.5%	11.1%	167	182
Other group co.	49 292 419	3.7%	139	3.1%	95 679 377	70.3%	154 318 000	52.2%	11.3%	134	210
Other	172 264 205	13.1%	425	9.6%	307 564 151	93.5%	461 424 000	82.8%	12.2%	190	166
<b>Total</b>	<b>1 315 950 168</b>	<b>100%</b>	<b>4 436</b>	<b>100%</b>	<b>3 191 339 740</b>	<b>66.3%</b>	<b>5 656 783 000</b>	<b>47.3%</b>	<b>11.2%</b>	<b>169</b>	<b>181</b>

\* Please note that Indexed values have been updated using more recent property inflation tables from Lightstone in addition to historic Absa Housing Review figures.

**NQABA FINANCE 1 (RF) LIMITED**

**Portfolio stratification tables at determination date 31/10/2023**

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
<b>Loan balance (R'000)</b>											
0 - 100	41 108 217	3.1%	1 597	36.0%	841 077 873	20.4%	1 836 343 000	8.4%	11.4%	268	76
100 - 200	85 043 988	6.5%	570	12.8%	320 727 618	40.4%	679 963 000	20.9%	11.3%	228	120
200 - 300	128 512 703	9.8%	512	11.5%	315 557 116	53.2%	561 178 000	30.6%	11.4%	196	151
300 - 400	162 222 917	12.3%	466	10.5%	304 828 536	62.2%	529 348 000	37.3%	11.4%	184	173
400 - 500	175 560 453	13.3%	390	8.8%	312 514 168	65.4%	497 853 000	43.2%	11.4%	171	181
500 - 700	269 678 472	20.5%	457	10.3%	425 129 021	69.9%	650 256 000	49.8%	11.3%	158	197
700 - 1000	216 002 463	16.4%	262	5.9%	325 454 274	74.1%	461 663 000	57.8%	11.2%	145	204
1000 - 1500	180 132 526	13.7%	152	3.4%	270 044 625	80.7%	345 029 000	68.2%	11.0%	137	204
1500+	57 688 429	4.4%	30	0.7%	76 006 509	88.6%	95 150 000	75.6%	10.0%	147	194
<b>Total</b>	<b>1 315 950 168</b>	<b>100.0%</b>	<b>4 436</b>	<b>100.0%</b>	<b>3 191 339 740</b>	<b>66.3%</b>	<b>5 656 783 000</b>	<b>47.3%</b>	<b>11.2%</b>	<b>169</b>	<b>181</b>
<b>Average balance</b>	<b>296 652</b>										
<b>Interest rate</b>											
0% - 8%	19 469 019	1.5%	30	0.7%	15 243 000	170.1%	18 399 000	162.8%	0.0%	229	122
8% - 10%	36 459 249	2.8%	82	1.8%	115 096 696	49.8%	206 626 000	32.9%	10.0%	181	137
10% - 12%	1 118 853 684	85.0%	4 027	90.8%	2 833 517 757	62.4%	5 135 848 000	42.1%	11.1%	166	184
>12.0%	141 168 216	10.7%	297	6.7%	227 482 286	86.8%	295 910 000	76.3%	13.6%	182	176
<b>Total</b>	<b>1 315 950 168</b>	<b>100.0%</b>	<b>4 436</b>	<b>100.0%</b>	<b>3 191 339 740</b>	<b>66.3%</b>	<b>5 656 783 000</b>	<b>47.3%</b>	<b>11.2%</b>	<b>169</b>	<b>181</b>
<b>Seasoning</b>											
0 - 12 months	-	0.0%	-	0.0%	-	0.0%	-	0.0%	0.0%	-	-
12 - 24 months	-	0.0%	-	0.0%	-	0.0%	-	0.0%	0.0%	-	-
24 - 36 months	-	0.0%	-	0.0%	-	0.0%	-	0.0%	0.0%	-	-
36 - 48 months	3 462 822	0.3%	7	0.2%	11 420 000	57.7%	12 744 000	53.8%	11.3%	46	222
48 - 60 months	23 019 110	1.7%	37	0.8%	38 302 000	70.0%	44 706 000	60.7%	11.3%	54	238
60 - 120 months	262 269 371	19.9%	404	9.1%	450 621 075	73.4%	589 100 000	58.5%	11.3%	91	233
120+ months	1 027 198 864	78.1%	3 988	89.9%	2 690 996 665	64.4%	5 010 233 000	44.1%	11.2%	192	166
<b>Total</b>	<b>1 315 950 168</b>	<b>100.0%</b>	<b>4 436</b>	<b>100.0%</b>	<b>3 191 339 740</b>	<b>66.3%</b>	<b>5 656 783 000</b>	<b>47.3%</b>	<b>11.2%</b>	<b>169</b>	<b>181</b>
<b>Region</b>											
Eastern Cape	59 002 922	4.5%	219	4.9%	162 630 900	73.4%	296 043 000	53.4%	10.6%	192	161
Free State	60 406 679	4.6%	223	5.0%	138 966 399	63.2%	257 070 000	42.0%	11.3%	173	175
Gauteng	603 896 319	45.9%	1 665	37.5%	1 395 291 760	65.0%	2 268 486 000	49.4%	11.2%	161	186
Kwazulu Natal	71 481 044	5.4%	283	6.4%	197 348 784	66.5%	363 531 000	45.9%	11.5%	183	171
Limpopo Province	47 704 963	3.6%	213	4.8%	128 088 537	59.8%	244 961 000	38.3%	11.4%	177	176
Mpumalanga	249 142 865	18.9%	1 063	24.0%	591 513 698	69.6%	1 124 405 000	47.5%	11.3%	177	176
North West	28 929 726	2.2%	128	2.9%	56 911 017	73.9%	108 804 000	55.3%	11.7%	185	166
Northern Cape	13 753 759	1.0%	87	2.0%	40 532 893	73.9%	79 667 000	51.3%	11.5%	180	172
Western Cape	181 631 891	13.8%	555	12.5%	480 055 752	64.1%	913 816 000	41.1%	11.2%	166	187
<b>Total</b>	<b>1 315 950 168</b>	<b>100.0%</b>	<b>4 436</b>	<b>100.0%</b>	<b>3 191 339 740</b>	<b>66.3%</b>	<b>5 656 783 000</b>	<b>47.3%</b>	<b>11.2%</b>	<b>169</b>	<b>181</b>
<b>Property type</b>											
House (Freehold)	1 013 445 723	77.0%	3 549	80.0%	2 509 067 396	65.0%	4 489 717 000	45.8%	11.2%	175	175
Multi-unit (Sectional Title)	229 177 650	17.4%	676	15.2%	419 287 584	74.6%	721 958 000	55.4%	11.2%	144	207
House (Complex)	8 631 709	0.7%	17	0.4%	17 280 000	65.5%	27 481 000	45.1%	11.4%	169	185
Small Holding	2 559 593	0.2%	11	0.2%	10 300 000	47.4%	17 220 000	38.8%	11.5%	189	129
Other	62 135 494	4.7%	183	4.1%	235 404 759	57.4%	400 407 000	42.6%	11.0%	168	179
<b>Total</b>	<b>1 315 950 168</b>	<b>100.0%</b>	<b>4 436</b>	<b>100.0%</b>	<b>3 191 339 740</b>	<b>66.3%</b>	<b>5 656 783 000</b>	<b>47.3%</b>	<b>11.2%</b>	<b>169</b>	<b>181</b>

**NQABA FINANCE 1 (RF) LIMITED**

**Arrears analysis at determination date**

	31 October 2023					31 July 2023				
	Loan balances R	%	Number of loans %	Weighted avg. interest rate %		Loan balances R	%	Number of loans %	Weighted avg. interest rate %	
<b>Fully performing</b>										
Current	1 187 899 011	90.3%	4 111	92.7%	11.2%	1 207 001 961	89.6%	4 231	91.8%	11.2%
<b>Non-delinquent</b>										
0 - 1 months	6 644 362	0.5%	35	0.8%	12.7%	13 225 387	1.0%	54	1.2%	12.4%
1 - 2 months	4 774 122	0.4%	15	0.3%	12.9%	3 491 051	0.3%	26	0.6%	12.6%
2 - 3 months	3 118 254	0.2%	8	0.2%	12.0%	6 104 907	0.5%	20	0.4%	12.9%
Total	14 536 737	1.1%	58	1.3%	12.6%	22 821 345	1.7%	100	2.2%	12.6%
<b>Deteriorated</b>										
3 - 4 months	536 359	0.0%	2	0.0%	12.0%	2 355 994	0.2%	12	0.3%	12.2%
4 - 5 months	572 430	0.0%	3	0.1%	11.5%	4 686 623	0.3%	15	0.3%	13.4%
5 - 6 months	370 045	0.0%	3	0.1%	11.5%	167 708	0.0%	1	0.0%	11.5%
6 - 12 months	4 498 610	0.3%	16	0.4%	13.0%	4 376 486	0.3%	18	0.4%	13.1%
>12 months	9 073 225	0.7%	47	1.1%	12.8%	9 030 890	0.7%	49	1.1%	13.1%
Total	15 050 670	1.1%	71	1.6%	12.7%	20 617 701	1.5%	95	2.1%	13.0%
<b>Defaulted</b>										
Litigation	48 649 232	3.7%	74	1.7%	11.7%	50 647 309	3.8%	76	1.6%	12.1%
<b>Other categories</b>										
Debt review	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%
Arrangement	46 184 475	3.5%	115	2.6%	11.9%	38 969 094	2.9%	98	2.1%	11.5%
Third party attachment	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%
Properties sold	2 332 043	0.2%	4	0.1%	0.0%	5 747 435	0.4%	6	0.1%	0.0%
Properties in possession	1 298 000	0.1%	3	0.1%	0.0%	1 298 000	0.1%	3	0.1%	0.0%
Total	49 814 518	3.8%	122	2.8%	11.0%	46 014 529	3.4%	107	2.3%	9.7%
<b>Total</b>	<b>1 315 950 168</b>	<b>100.0%</b>	<b>4 436</b>	<b>100.0%</b>	<b>11.2%</b>	<b>1 347 102 846</b>	<b>100.0%</b>	<b>4 609</b>	<b>100.0%</b>	<b>11.2%</b>

**Movement in properties classified as Litigations**

Quarter ended:	31 October 2023			31 July 2023		
	R		Number	R		Number
Opening balance	50 647 309		76	46 344 853		69
Loans exit litigation	(8 816 212)		(11)	(2 463 327)		(6)
Loans enter litigation	5 106 135		9	5 012 966		13
Repayments	(4 515)			(28 293)		
Advance	181 160			226 465		
Interest	1 399 187			1 423 656		
Loan losses	-			(4)		
Valuation fees	10 925			12 018		
Capitalised insurance	125 243			118 975		
Closing balance	<b>48 649 232</b>		<b>74</b>	<b>50 647 309</b>		<b>76</b>

**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:

	31/10/2023 R	31/07/2023 R
Impairments applied to loan book excluding properties in possession	49 586 375	52 670 157
Impairments applied to properties in possession	622 780	622 780
Total impairments	50 209 155	53 292 937

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%;

		31/10/2023 R	31/07/2023 R
Aggregate principal balances on home loans as above	A	1 315 950 168	1 347 102 846
Balances which are in arrears for more than 3 months	B	15 050 670	20 617 701
Balances for which the Issuer has instituted legal proceedings	C	48 649 232	50 647 309
Total arrears for calculation purposes	D = B + C	63 699 902	71 265 010
Arrears %	E = D / A	4.84%	5.29%
Arrears reserve trigger level percentage		2.00%	2.00%
Arrears reserve trigger level value		26 319 003	26 942 057
If arrears % (E) previously exceeded the trigger, check whether arrears have decreased to 1.5%		No	No
Arrears trigger event maintained		Yes	Yes
<b>If Yes, calculation of arrears reserve required:</b>			
Original valuation of the related properties		15 740 202	21 766 428
Latest valuation of the related properties		32 240 034	45 344 232
Balances which are in arrears for more than 3 months	B	15 050 670	20 617 701
60% of the lower of the original valuation and latest valuation	F	9 444 121	13 059 857
Test difference between arrears and conservative value of related properties	G = B - F	5 606 549	7 557 844
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	-	-
<b>Changes in arrears reserve</b>			
Opening balance		-	-
Changes reflected in Priority of Payments		-	-
Closing balance	H	-	-

Related early amortisation arrears trigger

		31/10/2023 R	31/07/2023 R
Loan book balance		1 315 950 168	1 347 102 846
Trigger per cent		2.50%	2.50%
Trigger value	I	32 898 754	33 677 571
Total arrears as defined above	D	63 699 902	71 265 010
Headroom (deficit)		(30 801 148)	(37 587 439)
Early amortisation arrears trigger event (D > I)		Yes	Yes
<b>Scheme has moved to early amortisation</b>			



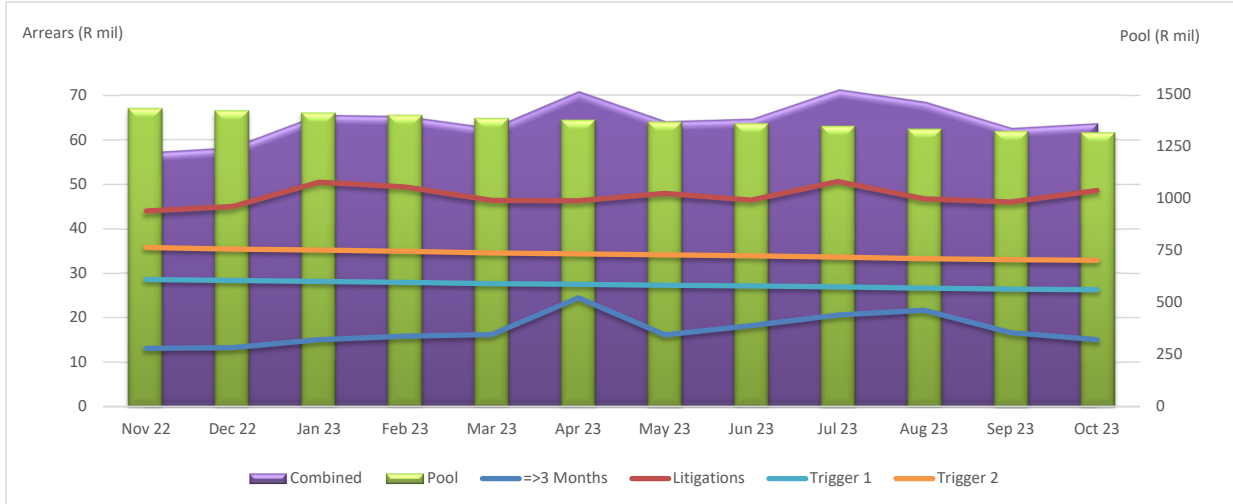
Trends

Arrears analysis (values in R million)

End of:	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23
<b>Pool</b>	<b>1432</b>	<b>1420</b>	<b>1410</b>	<b>1398</b>	<b>1384</b>	<b>1376</b>	<b>1366</b>	<b>1358</b>	<b>1347</b>	<b>1333</b>	<b>1322</b>	<b>1316</b>
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%
<b>Trigger 1</b>	<b>28.63</b>	<b>28.39</b>	<b>28.20</b>	<b>27.97</b>	<b>27.68</b>	<b>27.52</b>	<b>27.32</b>	<b>27.16</b>	<b>26.94</b>	<b>26.66</b>	<b>26.44</b>	<b>26.32</b>
=>3 Months	13.13	13.26	15.04	15.85	16.20	24.49	16.12	18.24	20.62	21.71	16.63	15.05
Litigations	44.04	45.05	50.53	49.47	46.44	46.34	47.98	46.46	50.65	46.76	46.02	48.65
<b>Combined</b>	<b>57.17</b>	<b>58.31</b>	<b>65.57</b>	<b>65.32</b>	<b>62.64</b>	<b>70.83</b>	<b>64.11</b>	<b>64.70</b>	<b>71.27</b>	<b>68.47</b>	<b>62.65</b>	<b>63.70</b>
Trigger 1 diff	-28.54	-29.92	-37.37	-37.36	-34.96	-43.31	-36.79	-37.54	-44.32	-41.81	-36.21	-37.38
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%
<b>Trigger 2</b>	<b>35.79</b>	<b>35.49</b>	<b>35.26</b>	<b>34.96</b>	<b>34.60</b>	<b>34.40</b>	<b>34.15</b>	<b>33.95</b>	<b>33.68</b>	<b>33.33</b>	<b>33.05</b>	<b>32.90</b>
Trigger 2 diff	-21.38	-22.82	-30.32	-30.36	-28.04	-36.43	-29.96	-30.75	-37.59	-35.14	-29.60	-30.80

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

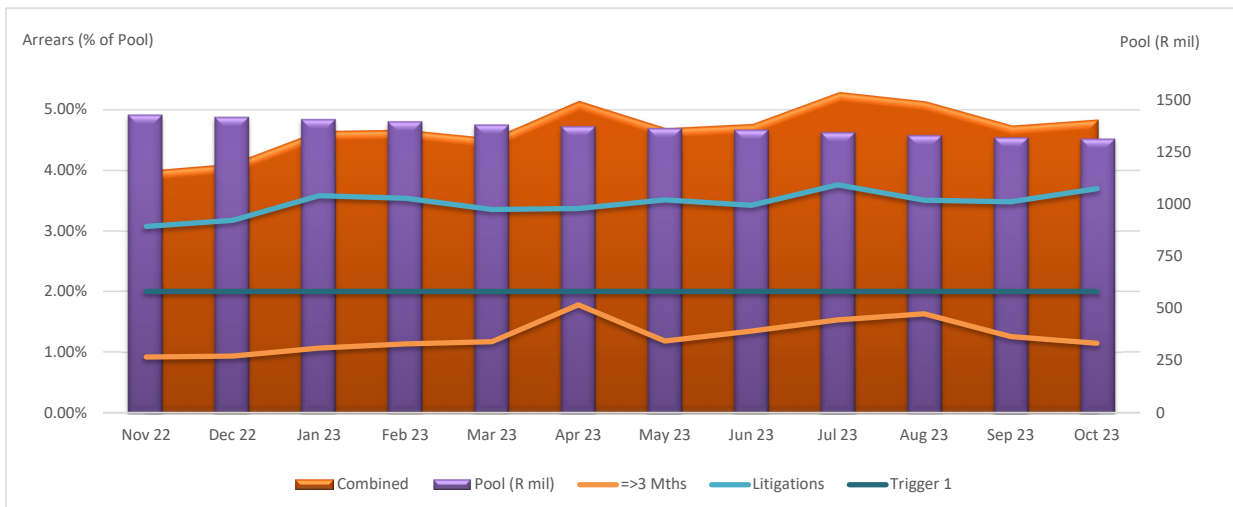
Trigger 2 (2.5% of Pool) = If breached by combined arrears, early amortisation is required (from July 2020)



Arrears analysis (percentages)

End of:	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23
<b>Pool (R mil)</b>	<b>1432</b>	<b>1420</b>	<b>1410</b>	<b>1398</b>	<b>1384</b>	<b>1376</b>	<b>1366</b>	<b>1358</b>	<b>1347</b>	<b>1333</b>	<b>1322</b>	<b>1316</b>
=>3 Mths	0.92%	0.93%	1.07%	1.13%	1.17%	1.78%	1.18%	1.34%	1.53%	1.63%	1.26%	1.14%
Litigations	3.08%	3.17%	3.58%	3.54%	3.36%	3.37%	3.51%	3.42%	3.76%	3.51%	3.48%	3.70%
<b>Combined</b>	<b>3.99%</b>	<b>4.11%</b>	<b>4.65%</b>	<b>4.67%</b>	<b>4.53%</b>	<b>5.15%</b>	<b>4.69%</b>	<b>4.76%</b>	<b>5.29%</b>	<b>5.14%</b>	<b>4.74%</b>	<b>4.84%</b>
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%

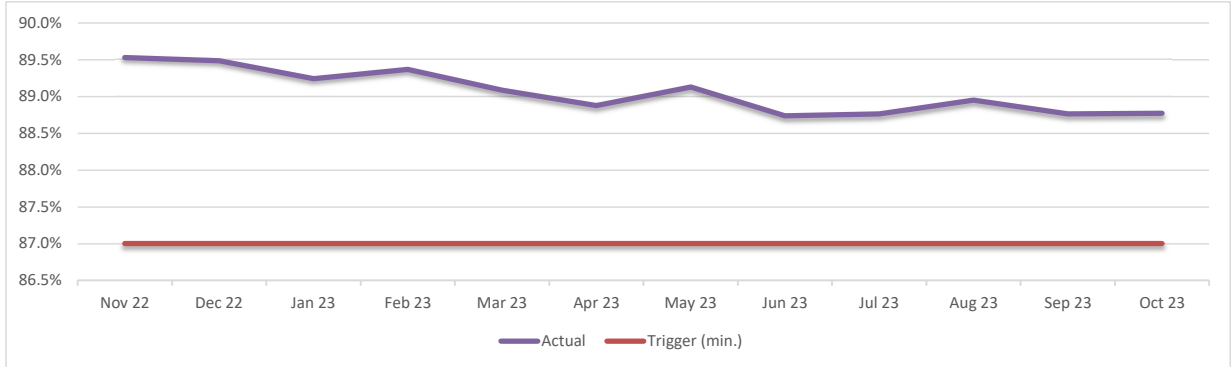


Trends

Payroll Deduction Percentage (number of borrowers)

End of:	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23
<b>Actual</b>	<b>89.5%</b>	<b>89.5%</b>	<b>89.2%</b>	<b>89.4%</b>	<b>89.1%</b>	<b>88.9%</b>	<b>89.1%</b>	<b>88.7%</b>	<b>88.8%</b>	<b>89.0%</b>	<b>88.8%</b>	<b>88.8%</b>
<b>Trigger (min.)</b>	<b>87.0%</b>	<b>87.0%</b>	<b>87.0%</b>	<b>87.0%</b>	<b>87.0%</b>	<b>87.0%</b>	<b>87.0%</b>	<b>87.0%</b>	<b>87.0%</b>	<b>87.0%</b>	<b>87.0%</b>	<b>87.0%</b>

Trigger = If breached, purchase of additional home loans prohibited

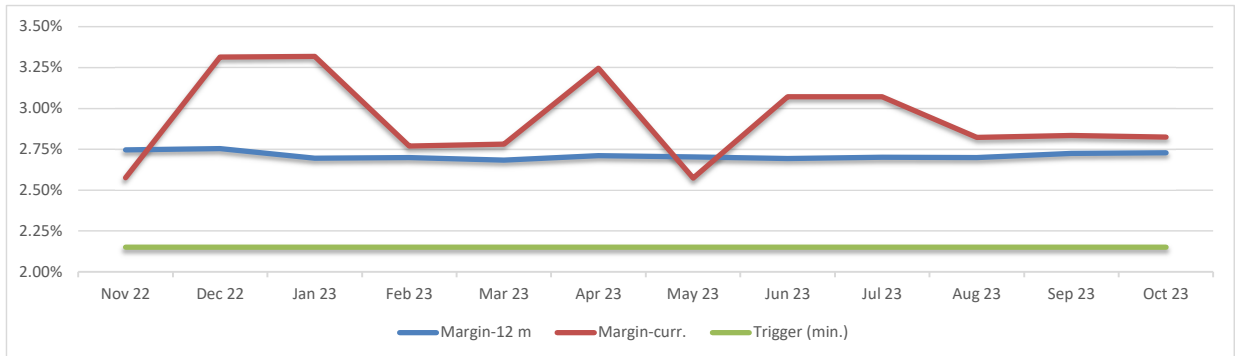


Interest rate margin

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.

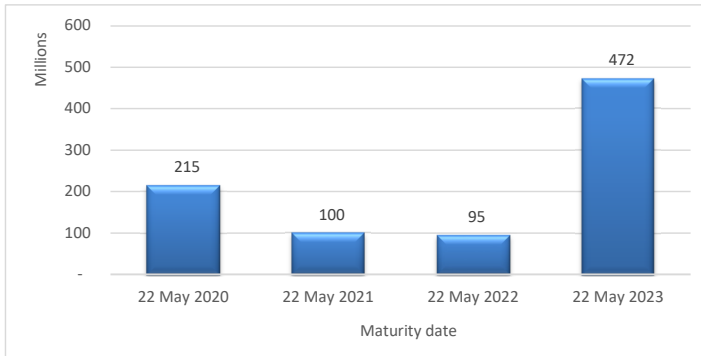
End of:	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23
<b>12 months rolling average:</b>												
HL-12 m	7.76%	8.02%	8.29%	8.56%	8.83%	9.11%	9.40%	9.69%	9.98%	10.20%	10.43%	10.59%
Jibar-12 m	5.01%	5.27%	5.60%	5.86%	6.15%	6.40%	6.70%	7.00%	7.27%	7.50%	7.70%	7.86%
<b>Margin-12 m</b>	<b>2.75%</b>	<b>2.75%</b>	<b>2.69%</b>	<b>2.70%</b>	<b>2.68%</b>	<b>2.71%</b>	<b>2.70%</b>	<b>2.69%</b>	<b>2.70%</b>	<b>2.70%</b>	<b>2.72%</b>	<b>2.73%</b>
<b>Current month:</b>												
HL-current	9.24%	9.98%	9.99%	10.22%	10.23%	10.70%	10.70%	11.20%	11.20%	11.22%	11.23%	11.22%
Jibar-curr.	6.67%	6.67%	6.67%	7.45%	7.45%	7.45%	8.13%	8.13%	8.13%	8.39%	8.39%	8.39%
<b>Margin-curr.</b>	<b>2.58%</b>	<b>3.31%</b>	<b>3.32%</b>	<b>2.77%</b>	<b>2.78%</b>	<b>3.25%</b>	<b>2.57%</b>	<b>3.07%</b>	<b>3.07%</b>	<b>2.82%</b>	<b>2.83%</b>	<b>2.82%</b>
<b>Trigger (min.)</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>	<b>2.15%</b>

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



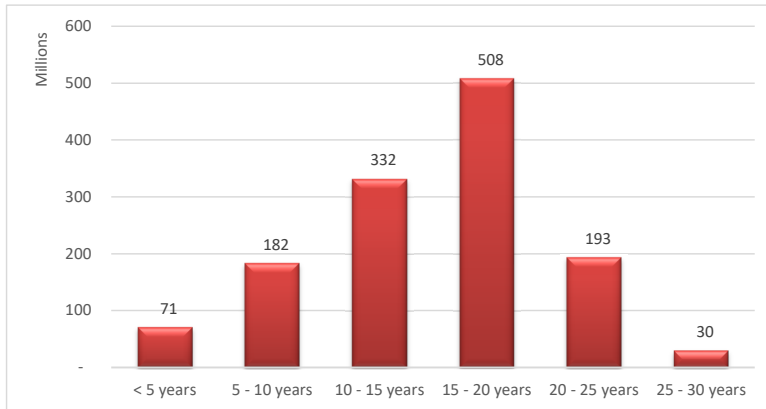
Trends

Notes maturity analysis



Maturity date	Current value
22 May 2020	214 967 754
22 May 2021	99 821 975
22 May 2022	95 301 429
22 May 2023	471 775 587
Total	R 881 866 745

Asset pool maturity analysis



Loan maturity	Current balance
< 5 years	70 788 519
5 - 10 years	182 385 795
10 - 15 years	331 948 808
15 - 20 years	508 103 566
20 - 25 years	192 982 636
25 - 30 years	29 740 845
Total	R 1 315 950 168



**NQABA FINANCE 1 (RF) LIMITED**

**Note interest calculations for current interest payment date 22/11/2023**

Class number	JSE stock code	Balance start of period R	Interest reset date	Interest payment date	Number of days	3 month Jibar	Margin	Interest			Balance end of period R	Step up call date	Step up margin
								Total note coupon	accrued and paid R	Principal distributed R			
A10	NQ1A10	51 961 237	22/08/2023	22/11/2023	92	8.392%	2.000%	10.392%	1 361 048	(2 993 489)	48 967 748	31/07/2020	2.000%
A24	NQ1A24	140 069 410	22/08/2023	22/11/2023	92	8.392%	2.240%	10.632%	3 753 645	(8 069 404)	132 000 006	22/05/2020	2.240%
A25	NQ1A25	75 660 217	22/08/2023	22/11/2023	92	8.392%	2.576%	10.968%	2 091 655	(4 358 788)	71 301 429	22/05/2022	2.576%
A27	NQ1A27	331 896 137	22/08/2023	22/11/2023	92	8.392%	2.590%	10.982%	9 187 103	(19 120 550)	312 775 587	22/05/2023	2.590%
A28	NQ1A28	105 924 279	22/08/2023	22/11/2023	92	8.392%	2.100%	10.492%	2 801 230	(6 102 304)	99 821 975	22/05/2021	2.100%
<b>Totals Class A</b>		<b>705 511 280</b>						Weighted average: <b>10.794%</b>	<b>19 194 682</b>	<b>(40 644 535)</b>	<b>664 866 745</b>		
B10	NQ1B10	11 000 000	22/08/2023	22/11/2023	92	8.392%	2.200%	10.592%	293 674	-	11 000 000	31/07/2020	2.200%
B17	NQ1B17	8 000 000	22/08/2023	22/11/2023	92	8.392%	2.548%	10.940%	220 598	-	8 000 000	22/05/2020	2.548%
B20	NQ1B20	159 000 000	22/08/2023	22/11/2023	92	8.392%	3.150%	11.542%	4 625 654	-	159 000 000	22/05/2023	3.150%
B21	NQ1B21	24 000 000	22/08/2023	22/11/2023	92	8.392%	2.800%	11.192%	677 039	-	24 000 000	22/05/2022	2.800%
<b>Totals Class B</b>		<b>202 000 000</b>						Weighted average: <b>11.425%</b>	<b>5 816 966</b>	<b>-</b>	<b>202 000 000</b>		
C10	NQ1C10	5 000 000	22/08/2023	22/11/2023	92	8.392%	2.400%	10.792%	136 009	-	5 000 000	31/07/2020	2.400%
C17	NQ1C17	5 000 000	22/08/2023	22/11/2023	92	8.392%	3.150%	11.542%	145 461	-	5 000 000	22/05/2020	3.150%
<b>Totals Class C</b>		<b>10 000 000</b>						Weighted average: <b>11.167%</b>	<b>281 470</b>	<b>-</b>	<b>10 000 000</b>		
D5	NQF1D5	5 000 000	22/08/2023	22/11/2023	92	8.392%	1.150%	9.542%	120 255	-	5 000 000	22/05/2020	1.150%
<b>Totals Class D</b>		<b>5 000 000</b>						Weighted average: <b>9.542%</b>	<b>120 255</b>	<b>-</b>	<b>5 000 000</b>		
<b>Totals all Notes</b>		<b>922 511 280</b>						Weighted average: <b>10.929%</b>	<b>25 413 373</b>	<b>(40 644 535)</b>	<b>881 866 745</b>		
<b>Subordinated loan</b>		<b>290 000 000</b>	22/08/2023	22/11/2023	92	8.392%	3.000%	11.392%	-	-	290 000 000		
<b>Total funding</b>		<b>1 212 511 280</b>						Weighted average interest rate all funding: <b>11.040%</b>	<b>25 413 373</b>	<b>(40 644 535)</b>	<b>1 171 866 745</b>		

<b>Credit enhancement limit at start of quarter</b>	<b>31.4%</b>	<b>of notes outstanding</b>	Step-up rates have been applied to all Notes in issue as they have become Matured Notes..
<b>Current value of credit enhancement (end of quarter)</b>	<b>32.9%</b>	<b>of notes outstanding</b>	
<b>Credit enhancement committed and not drawn</b>	<b>0%</b>		
Credit			

Note: As all interest accrued on Notes has been paid in full since inception, there are no interest shortfalls, except for the subordinated loan.

**Excess spread**

	Quarter ended: 22/11/2023		22/08/2023
	R	%	
<b>Average loan pool balance</b>	<u>1 329 536 220</u>		<u>1 361 804 970</u>
Interest received to determination date	37 529 694	11.20%	10.99%
Expenses per Priority of Payments (POP)	<u>(1 882 996)</u>	<u>-0.56%</u>	<u>-0.85%</u>
	35 646 698	10.64%	10.14%
Note coupon per POP	<u>(25 413 373)</u>	<u>-7.58%</u>	<u>-7.53%</u>
Excess spread before subordinated loan interest	10 233 325	3.05%	2.61%
Subordinated loan interest per POP	-	0.00%	0.00%
<b>Excess spread</b>	<u><b>10 233 325</b></u>	<u><b>3.05%</b></u>	<u><b>2.61%</b></u>

**Liquidity and redraw facilities at Interest payment date**

Liquidity facility	22/11/2023	22/08/2023	Redraw facility	22/11/2023	22/08/2023
	R	R		R	R
Facility limit (2% of greater of Initial Note Issue and current outstanding Notes)	31 360 000	31 360 000	Facility limit	131 000 000	131 000 000
Available facility:			Available facility:		
Outstandings at start of period	-	-	Outstandings at start of period	-	-
Further amounts drawn	-	-	Further amounts drawn (repaid)	-	-
Less: Outstandings at end of period	-	-	Less: Outstandings at end of period	-	-
Available facility at end of period	<u>31 360 000</u>	<u>31 360 000</u>	Available facility at end of period	<u>131 000 000</u>	<u>131 000 000</u>
The facility was renewed with effect from 21/02/2023. It has never been used. The fee charge is 0,45% per annum of the facility limit with an upfront charge of 0,5%.			The facility was renewed with effect from 21/02/2023 at a higher limit. It has never been used. The fee charge is 0,45% per annum of the facility limit with an upfront charge of 0,5%.		

**Early amortisation events (summary)**

	22/11/2023	22/08/2023
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:		
	<b>Reference</b>	<b>Breach</b>
Any new tax which has a material adverse effect on the Issuer		No
Any Servicer event of default		No
The Arrears Reserve (if required) is not fully funded for six consecutive payment dates	Page 7	N/A
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, together with those in litigation, exceeds 2,5% of the aggregate principal balances of the Home Loans	Page 7	<b>Yes</b>
The Issuer does not achieve the required interest margin	Page 3	No
A Principal deficiency exists on any payment date	Page 13	No
Upon occurrence of a downgrade in the long term corporate family rating of Eskom Holdings SOC Limited to below Caa1 by Moody's	Page 2	No
Where the Rating Agency has assigned a national scale rating of A3.za or below to the Class A Notes	Page 11	No
Where the Rating Agency has assigned a Rating to a tranche of Notes in issue, the Rating Agency withdraws its Ratings of all such tranches of Notes and such Ratings are not reinstated within 30 days	Page 11	No

## NQABA FINANCE 1 (RF) LIMITED

### Principal deficiency ledger at Interest payment date

	22/11/2023 R	22/08/2023 R
<b>Early amortisation event - a principal deficiency exists on any payment date</b>		
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.		
<b>Liabilities</b>		
Aggregate outstanding principal of the notes	922 511 280	963 986 344
Less: Amount allocated for the redemption of notes	(40 644 535)	(41 475 064)
- Class A	(40 644 535)	(41 475 064)
- 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	-	-
<b>Total liabilities (L)</b>	<b>881 866 745</b>	<b>922 511 280</b>
<b>Assets</b>		
Aggregate principal balances of home loans on the last day of the immediately preceding Collection Period	1 315 950 168	1 347 227 986
Plus: Home loans transferred on the next day from funds previously allocated	-	-
Total principal balances at start of current period	1 315 950 168	1 347 227 986
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	-	-
<b>Total assets (A)</b>	<b>1 315 950 168</b>	<b>1 347 227 986</b>
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)	-	-
<b>Class D interest deferral test to protect class C and above Noteholders</b>		
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)	-	-
<b>Class C interest deferral test to protect class B and above Noteholders</b>		
Class C Notes (C)	10 000 000	10 000 000
Net Principal Deficiency (PD - D - C) (never less than zero)	-	-
<b>Class B interest deferral test to protect class A Noteholders</b>		
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:	
	31/10/2023	31/07/2023
	R	R
Profit before tax per income statement	3 349 192	2 857 845
Add back:		
Non cash adjustments	(2 009 349)	-
Funds from operations	<u>1 339 843</u>	<u>2 857 845</u>
Taxation adjusted	568 397	-
(Decrease) in Notes and sub-loan including accrued interest	(32 010 603)	(31 272 102)
Decrease in portfolio assets including accrued interest	28 068 897	29 019 634
Increase in amounts due by EFC and accounts receivable	(460 605)	(357 028)
Increase (decrease) in amounts due to EFC and accounts payable	1 842 786	(3 298 723)
Decrease in funds	<u>(282 955)</u>	<u>(2 812 162)</u>
Funds available at beginning of the period	55 601 806	58 413 969
Funds available at end of the period to Priority of Payments	<u><u>55 318 852</u></u>	<u><u>55 601 806</u></u>

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

**NB: The Amortising period started on 31 July 2020**

	22/11/2023	22/08/2023
	R	R
Cash at bank as above	55 318 852	55 601 806
Add: Commingling amounts subsequently received from EFC	19 580 198	19 019 730
Less: commingling amounts payable to EFC	<u>(6 958 146)</u>	<u>(4 377 089)</u>
<b>Available cash</b>	<b><u>67 940 904</u></b>	<b><u>70 244 447</u></b>
<b>Payments</b>		
1 South African Revenue Services	-	-
2 Security SPV trust, owner trust and third party payments	(1 671 217)	(2 705 884)
3 Derivative counterparty settlement received (paid)	-	-
4 Liquidity facility provider - fees	(40 905)	(40 905)
5 Redraw facility provider - fees	(170 874)	(170 874)
6 Class A to D Note holders:		
Interest on Class A notes	(19 194 682)	(19 788 365)
Surplus / (Deficit)	<u>46 863 226</u>	<u>47 538 419</u>
Interest on Class B notes	<u>(5 816 966)</u>	<u>(5 672 367)</u>
Interest payable	(5 816 966)	(5 672 367)
Less: Class B interest deferred	-	-
Interest on Class C notes	<u>(281 470)</u>	<u>(274 311)</u>
Interest payable	(281 470)	(274 311)
Less: Class C interest deferred	-	-
Interest on Class D notes	<u>(120 255)</u>	<u>(116 676)</u>
Interest payable	(120 255)	(116 676)
Less: Class D interest deferred	-	-
Surplus / (Deficit)	<u>40 644 535</u>	<u>41 475 064</u>
7 Redraw facility provider	-	-
8 Class A to D Note holders principal repayments	<u>(40 644 535)</u>	<u>(41 475 064)</u>
	<u>-</u>	<u>-</u>

**NQABA FINANCE 1 (RF) LIMITED**

Statement of Comprehensive Income	YTD	YTD
	31/10/2023	31/07/2023
	(7 months)	(4 months)
	R	R

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

Financing income	87 392 189	49 872 826
Financing cost	78 401 925	43 085 753
<b>Financing margin</b>	<b>8 990 264</b>	<b>6 787 073</b>
Loan losses	(1 277 934)	1 232 899
Loan losses written off	1 805 848	1 232 899
Impairment provisions	(3 083 782)	-
Loan Losses recovered	96 219	9 748
Interest received from bank	1 732 920	965 353
Interest (paid) / received from SARS	-	-
<b>Operating profit/(loss)</b>	<b>12 097 338</b>	<b>6 529 275</b>
Operating expenditure	(4 381 052)	(2 162 182)
Bank Charges	11 331	7 106
Management fees	274 344	169 802
Servicer fees	1 365 453	787 773
Liquidity fees	201 861	95 224
Redraw Facility fees	842 735	395 228
Back-up Servicer fees	79 157	45 668
Audit fees	922 246	268 333
JSE fees	111 506	58 911
Directors' and owner trust fees	320 463	183 115
Rating fees (Annual)	93 279	61 566
Rating fees (Subsequent)	-	-
Safe Custody and Settlement Agent fees	-	-
National Credit Regulator fees	50 460	28 834
Credit Ombudsman	60 695	34 728
Strate fees	47 523	25 893
Bond issue fees	-	-
Legal Fees	-	-
<b>Net profit/(loss) before tax</b>	<b>7 716 286</b>	<b>4 367 093</b>
Taxation - normal tax	(426 006)	-
Taxation - deferred tax	(1 522 940)	1 179 115
Tax Penalties	-	-
<b>Net profit/(loss) after tax</b>	<b>5 767 339</b>	<b>5 546 208</b>
Dividends	-	-
<b>Net profit/(loss) after distribution</b>	<b>5 767 339</b>	<b>5 546 208</b>
Retained income at beginning of the financial year	18 057 805	18 057 805
<b>Retained income at end of the period</b>	<b>23 825 145</b>	<b>23 604 014</b>

Statement of Financial Position	31/10/2023	31/07/2023
	R	R

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

**Assets**

<b>Non-Current Assets</b>	1 218 187 341	1 246 112 999
Home loan advances	1 208 189 667	1 234 996 613
Properties in possession	675 220	675 220
Deferred tax	9 322 454	10 441 167
<b>Current Assets</b>	134 379 446	136 400 474
Home loan advances	56 876 126	58 138 077
Amounts due by EFC	19 580 198	19 019 730
Cash and cash equivalents	55 318 852	55 601 806
Prepayments	331 493	699 823
Revenue Services	1 497 660	2 066 057
Receivables	775 116	874 979
<b>Total assets</b>	<b>1 352 566 786</b>	<b>1 382 513 473</b>

**Equity and liabilities**

<b>Capital and reserves</b>	23 825 246	23 604 115
Share capital	101	101
Distributable reserves	23 825 145	23 604 014
<b>Non-current liabilities</b>	1 056 078 376	1 073 241 566
Interest-bearing debt	766 078 376	783 241 566
Subordinated loan	290 000 000	290 000 000
<b>Current Liabilities</b>	272 663 164	285 667 792
Interest-bearing debt	176 517 354	199 642 026
Subordinated loan	86 814 913	78 537 654
Trade and other payables	2 372 751	3 111 022
Amounts due to EFC	6 958 146	4 377 089
SA Revenue Services	-	-
<b>Total equity and liabilities</b>	<b>1 352 566 786</b>	<b>1 382 513 473</b>



## 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:

<b>Amortisation Period</b>	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.)
<b>Arrears</b>	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
<b>Average Outstanding Balance</b>	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
<b>Business Day</b>	a day (other than a Saturday, Sunday or statutory public holiday) on which commercial banks settle payments in Rand in Johannesburg
<b>Collection Period</b>	each calendar month period commencing on (and including) the day following a Determination Date and ending on (and including) the following Determination Date
<b>Credit Enhancement Determination Date</b>	the most recent date on which the Issuer received a Rating Affirmation
<b>Current LTV Ratio</b>	in respect of a Home Loan, the LTV Ratio (see below) as at the most recent Determination Date
<b>Defaulted Asset</b>	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
<b>Deteriorated Asset</b>	any Home Loan Agreement with respect to which more than three Instalments are in Arrears
<b>Determination Date</b>	the last day of the calendar month preceding each Payment Date
<b>Enforcement Notice</b>	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
<b>Eligibility Criteria</b>	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
<b>Fully Performing</b>	a Home Loan which is not currently in Arrears
<b>Further Advance</b>	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)
<b>Home Loan</b>	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
<b>Home Loan Rate</b>	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
<b>Instalment</b>	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
<b>Interest Payment Date(s)</b>	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

<b>Issuer Expense Cap</b>	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)
<b>Liquidity Facility</b>	a committed Rand denominated short term loan facility, provided by the Liquidity Facility Provider in terms of the Liquidity Facility Agreement
<b>Liquidity Facility Limit</b>	2% of the greater of the Initial Note Issue and current 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. The Initial Note Issue is the current facility limit
<b>Liquidity Shortfall</b>	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
<b>LTV Ratio</b>	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
<b>Mandatory Redemption in part (Amortisation Period)</b>	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
<b>Mandatory Redemption following delivery of an Enforcement Notice</b>	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
<b>Mortgage Bond</b>	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
<b>NACQ</b>	nominal annual compounded quarterly
<b>Original LTV Ratio</b>	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
<b>Payment Date</b>	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
<b>Portfolio Covenants</b>	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
<b>Post-Enforcement Priority of Payments</b>	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
<b>Potential Redraw Amount</b>	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
<b>Pre-Enforcement Priority of Payments</b>	the Pre-Enforcement Priority of Payments applicable during the Revolving Period and the Pre-Enforcement Priority of Payments applicable during the Amortisation Period
<b>Pre-Enforcement Priority of Payments applicable during the Amortisation Period</b>	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

<b>Pre-Enforcement Priority of Payments applicable during the Revolving Period</b>	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
<b>Prepayments</b>	principal repayments received under a Home Loan in excess of the minimum scheduled Instalments which a Borrower is obliged to pay
<b>PTI Ratio</b>	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)
<b>Rate Determination Date</b>	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
<b>Re-advance</b>	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)
<b>Redraw</b>	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)
<b>Redraw Facility</b>	a committed Rand denominated revolving facility, provided by the Redraw Facility Provider in terms of the Redraw Facility Agreement
<b>Redraw Facility Limit</b>	an amount equal to or greater than 50% (fifty percent) of Potential Redraw Amount
<b>Required Direct Employees Percentage</b>	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, as specified in the Applicable Pricing Supplement, which percentage on the Most Recent Evaluation Date may decrease by 1% from the percentage determined at the previous Credit Enhancement Determination Date. (As amended 29 November 2022.)
<b>Revolving Period</b>	the period commencing on (and including) the Commencement Date and ending on (but excluding) the occurrence of an Early Amortisation Event
<b>Secured Creditors</b>	EFC and each of the creditors of the Issuer set out in the Priority of Payments that is a party to a Transaction Document
<b>Subordinated Notes</b>	all the Notes issued on each Issue Date, other than the Class A Notes issued on that Issue Date
<b>Transaction Documents</b>	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