

NQABA FINANCE 1 (RF) LIMITED

INVESTOR REPORT 23 MAY 2017 TO 22 AUGUST 2017

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Investor Report
for the period ending 22 August 2017

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NQABA FINANCE 1 (RF) LIMITED

Counterparties and salient information

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

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

² EFC is also the Servicer and Subordinated Lender

Currency	South African Rand (ZAR or R)
Transaction type	Traditional Securitisation (Revolving)
Transaction close date	31/05/2006
Programme size	R5 000 000 000
Outstanding Notes	R 1 660 000 000
Note profile	Interest only; bullet redemption
Subordinated loan	R 290 000 000
Interest payment dates	22nd day of February, May, August and November
Business day convention	Succeeding business day
Day count	Actual 365
Current interest accrual period	23 May 2017 to 21 August 2017 (92 days inclusive)
Current interest payment date	22/08/2017
Next interest payment date	22/11/2017
Asset class	Residential Mortgage Backed Securities in an evergreen revolving structure
Repayment type	Fully amortising equal monthly interest and principal payments
Current collection period	01 May 2017 to 31 July 2017 (92 days)
Current determination date	31/07/2017

Transaction overview

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

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

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

NQABA FINANCE 1 (RF) LIMITED

Collateral portfolio characteristics

	Collection period:	Current period 01/05/2017 to 31/07/2017		Previous period 01/02/2017 to 30/04/2017		Transaction close 31/05/2006	
		R	Loans	R	Loans	R	Loans
Balance brought forward		1 919 737 254	7 299	1 929 915 551	7 376	-	-
Instalments received		(71 068 201)		(66 122 626)			
Interest charged		48 629 447		47 285 243			
Insurance charged		528 411		491 087			
Valuation fees		26 645		66 255			
Principal repaid		(21 883 698)		(18 280 041)			
Unscheduled repayments (prepayments)		(41 735 211)	(134)	(44 523 097)	(136)		
Total Principal collections		(63 618 909)		(62 803 138)		-	
Balance at end of period		1 912 257 863	7 267	1 919 737 254	7 299	1 370 652 558	8 382
New loans purchased		40 065 022	102	35 331 872	59	1 370 652 558	8 382
Advances and redraws		16 162 438		17 675 380			
Loan losses written off		(87 943)		(382 410)			
Loan losses recovered		-		-			
Interest adjustments		-		-			
Original value of loans advanced		2 104 551 562		2 082 113 704			
Latest current valuations of properties		4 563 108 897		4 564 981 766			
Weighted average number of months since last valuation		82		80			
Indexed values of properties		9 041 269 000		9 135 734 000			
Weighted average seasoning (months)		127		126		65	
Weighted average term to maturity (months)		213		215		261	
Largest asset value		3 429 154		3 293 130		N/A	
Months in the period		3		3		Since transaction close 134	
Loan book balance used as denominator for CPR and DR percentages below		1 919 737 254		1 929 915 551		1 919 737 254	
Prepayments		41 735 211		44 523 097		1 792 641 551	
Annualised constant prepayment rate (CPR)		8.7%		9.2%		8.4%	
Loan losses		87 943		382 410		5 973 344	
Annualised default rate (DR)		0.018%		0.079%		0.028%	

Possessions

	Collection period:	Current period 01/05/2017 to 31/07/2017		Previous period 01/02/2017 to 30/04/2017	
		R	Loans	R	Loans
Possessions at start of period		432 000	2	892 000	3
Changes		-	-	(460 000)	(1)
Possessions at end of period		432 000	2	432 000	2

Related portfolio covenants

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

	Collection period:	Current period 01/05/2017 to 31/07/2017		Previous period 01/02/2017 to 30/04/2017		Transaction close 31/05/2006	
		Required	Actual	Required	Actual	Required	Actual
Weighted average Original Loan to Value (%)		=< 91.0	89.1	=< 91.0	89.2	=< 93.6	92.5
Weighted average Current Loan to Value (%)		=< 73.0	66.7	=< 73.0	66.8	=< 76.5	75.9
Weighted average Payment to Income (%)		=< 18.0	13.3	=< 18.0	13.3	=< 17.4	16.5
Minimum payroll deduction (number) (%)		=> 92.0	93.4	=< 92.0	93.3	=< 97.0	100.0
Maximum second property loans (number) (%) ¹		=< 8.5	2.4	=< 8.5	2.5	=< 7.5	1.5
Minimum direct Eskom employees (number) (%)		=> 86.0	91.6	=> 86.0	91.5	=> 85.0	100.0
Average outstanding balance		=< R 300 000	R 263 143	=< R 300 000	R 263 014	=< R 300 000	R 163 523

¹ Includes second property loans in EPC loanbook

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

Related early amortisation events

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

	Collection period:	Current period 01/05/2017 to 31/07/2017		Previous period 01/02/2017 to 30/04/2017		Transaction close 31/05/2006	
		Required	Actual	Required	Actual	Required	Actual
12 month rolling average rates:							
Weighted average home loan rate			10.06%		9.97%		
3 month Jibar daily rate			7.34%		7.23%		
Margin		=> 2.15%	2.72%	=> 2.15%	2.73%		
And							
Current actual rates at interest payment date:							
Weighted average home loan rate			10.02%		10.07%		9.64%
3 month Jibar rate			7.34%		7.36%		7.70%
Margin		=> 2.15%	2.68%	=> 2.15%	2.71%	=> 1.8%	1.94%

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

	Collection period:	Current period 01/05/2017 to 31/07/2017		Previous period 01/02/2017 to 30/04/2017	
		Required	Actual	Required	Actual
Weighted average Current Loan to Value (%)		=< 83.0	66.7	=< 83.0	66.8

Result: No early amortisation events have occurred

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/07/2017

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning	Weighted average term to maturity
	R	%	R	%	R	%	R	%	%	Months	Months
Original Loan to Value											
0% - 30%	39 155 778	2.0%	230	3.2%	192 436 511	41.8%	357 565 000	31.1%	10.1%	185	152
30% - 50%	73 242 519	3.8%	375	5.2%	321 664 000	43.4%	634 371 000	34.9%	10.1%	171	163
50% - 70%	170 260 100	8.9%	663	9.1%	538 233 609	51.0%	989 349 000	39.4%	9.9%	128	187
70% - 80%	181 734 064	9.5%	563	7.7%	445 273 622	60.1%	885 225 000	45.7%	9.8%	111	216
80% - 90%	299 412 055	15.7%	788	10.8%	593 218 536	71.7%	1 136 649 000	56.9%	9.9%	91	244
90% - 100%	475 374 626	24.9%	2 159	29.7%	1 225 111 693	65.6%	2 779 626 000	46.7%	9.9%	138	207
100%+	673 078 720	35.2%	2 489	34.3%	1 247 170 926	74.9%	2 258 484 000	53.5%	10.2%	132	220
Total	1 912 257 863	100.0%	7 267	100.0%	4 563 108 897	66.7%	9 041 269 000	49.2%	10.0%	127	213
Weighted average		89.1%									
Current Loan to Value											
0% - 30%	211 400 074	11.1%	3 220	44.3%	1 979 282 472	19.2%	5 098 041 000	12.4%	10.0%	212	109
30% - 50%	267 719 793	14.0%	1 037	14.3%	676 922 553	40.4%	1 145 348 000	27.6%	9.9%	167	165
50% - 70%	450 379 991	23.6%	1 060	14.6%	749 143 728	60.7%	1 150 145 000	43.8%	9.9%	137	200
70% - 80%	327 797 873	17.1%	640	8.8%	437 306 074	75.1%	631 725 000	56.1%	9.9%	102	244
80% - 90%	345 464 355	18.1%	653	9.0%	405 982 190	85.2%	585 088 000	62.6%	10.0%	84	260
90% - 100%	245 389 757	12.8%	539	7.4%	261 156 880	94.0%	370 960 000	68.0%	10.2%	90	266
100%+	64 106 019	3.4%	118	1.6%	53 315 000	127.2%	59 962 000	118.5%	11.6%	117	246
Total	1 912 257 863	100.0%	7 267	100.0%	4 563 108 897	66.7%	9 041 269 000	49.2%	10.0%	127	213
Weighted average											
Payment to income ratio											
0% - 5%	219 253 777	11.5%	2 842	39.1%	1 474 878 899	46.5%	4 289 665 000	26.3%	9.5%	177	178
5% - 10%	513 466 999	26.9%	1 975	27.2%	1 206 487 888	58.5%	2 100 413 000	40.1%	9.7%	150	197
10% - 15%	462 109 914	24.2%	1 185	16.3%	838 983 509	67.6%	1 245 826 000	50.5%	10.1%	127	212
15% - 20%	382 099 974	20.0%	704	9.7%	582 651 203	75.9%	810 687 000	58.3%	10.2%	102	230
20% - 25%	198 623 757	10.4%	352	4.8%	281 266 924	78.7%	374 788 000	61.8%	10.3%	87	242
25% - 30%	86 591 040	4.5%	133	1.8%	114 754 465	81.8%	146 245 000	68.1%	10.7%	87	253
30%+	50 112 402	2.6%	76	1.0%	64 086 009	86.3%	73 645 000	77.8%	11.1%	96	243
Total	1 912 257 863	100.0%	7 267	100.0%	4 563 108 897	66.7%	9 041 269 000	49.2%	10.0%	127	213
Weighted average		13.3%									

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/07/2017

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	%	%		
Payment method											
Payroll Deduction	1 763 660 526	92.2%	6 790	93.4%	4 280 577 446	65.1%	8 675 978 000	46.7%	9.9%	126	214
Other	148 597 337	7.8%	477	6.6%	282 531 451	84.9%	365 291 000	78.6%	11.9%	147	204
Total	1 912 257 863	100.0%	7 267	100.0%	4 563 108 897	66.7%	9 041 269 000	49.2%	10.0%	127	213
Borrower employment status											
Direct Eskom	1 715 862 355	89.7%	6 654	91.6%	4 180 375 149	65.0%	8 449 487 000	46.6%	9.9%	126	214
Other group co.	196 395 508	10.3%	613	8.4%	382 733 748	81.0%	591 782 000	71.4%	11.4%	136	213
Total	1 912 257 863	100.0%	7 267	100.0%	4 563 108 897	66.7%	9 041 269 000	49.2%	10.0%	127	213
Loan balance (R'000)											
0 - 100	96 867 593	5.1%	2 904	40.0%	1 332 623 316	23.4%	4 018 134 000	11.2%	10.2%	225	93
100 - 200	161 201 343	8.4%	1 090	15.0%	554 524 050	41.5%	1 076 392 000	23.6%	10.1%	189	141
200 - 300	191 357 668	10.0%	765	10.5%	440 870 171	56.4%	757 225 000	36.8%	10.1%	157	187
300 - 400	251 249 541	13.1%	721	9.9%	445 304 026	67.1%	694 200 000	46.8%	10.1%	130	213
400 - 500	245 612 548	12.8%	546	7.5%	369 283 901	75.0%	536 519 000	55.0%	10.1%	117	232
500 - 700	410 621 657	21.5%	696	9.6%	605 856 649	75.4%	848 523 000	57.3%	10.1%	112	237
700 - 1000	286 817 129	15.0%	353	4.9%	416 830 221	75.2%	573 645 000	59.2%	9.9%	102	244
1000 - 1500	170 837 223	8.9%	140	1.9%	248 173 401	74.2%	320 646 000	59.7%	9.6%	92	238
1500+	97 693 160	5.1%	52	0.7%	149 643 163	74.0%	215 985 000	62.6%	9.6%	89	228
Total	1 912 257 863	100.0%	7 267	100.0%	4 563 108 897	66.7%	9 041 269 000	49.2%	10.0%	127	213
Average balance	263 143										
Interest rate											
0% - 8%	3 491 429	0.2%	11	0.2%	3 161 500	127.9%	3 218 000	123.3%	0.0%	150	199
8% - 9.5%	665 488 820	34.8%	1 708	23.5%	1 655 362 556	62.0%	3 228 789 000	44.4%	9.2%	130	206
9.5% - 11.5%	1 173 248 750	61.4%	5 388	74.1%	2 808 974 824	67.3%	5 705 992 000	49.0%	10.3%	124	218
11.5% - 13.5%	70 028 864	3.7%	160	2.2%	95 610 018	97.2%	103 270 000	93.8%	13.4%	147	211
Total	1 912 257 863	100.0%	7 267	100.0%	4 563 108 897	66.7%	9 041 269 000	49.2%	10.0%	127	213

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/07/2017

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning	Weighted average term to maturity
	R	%	R	%	R	%	R	%	%	Months	Months
Seasoning											
0 - 12 months	17 530 866	0.9%	23	0.3%	24 590 000	77.6%	24 649 000	77.4%	9.9%	8	299
12 - 24 months	31 283 069	1.6%	51	0.7%	53 231 900	71.0%	56 367 000	67.0%	10.0%	19	291
24 - 36 months	50 373 632	2.6%	65	0.9%	76 154 500	74.5%	85 182 000	66.7%	9.9%	31	281
36 - 48 months	74 220 595	3.9%	96	1.3%	111 489 250	73.6%	134 697 000	60.9%	9.7%	44	263
48 - 60 months	114 372 084	6.0%	179	2.5%	171 839 169	77.8%	224 353 000	60.8%	9.9%	55	265
60 - 120 months	759 785 643	39.7%	1 689	23.2%	1 148 614 650	79.1%	1 574 958 000	59.0%	10.1%	87	245
120+ months	864 691 974	45.2%	5 164	71.1%	2 977 189 428	52.9%	6 941 063 000	35.7%	10.0%	191	166
Total	1 912 257 863	100.0%	7 267	100.0%	4 563 108 897	66.7%	9 041 269 000	49.2%	10.0%	127	213
Region											
Eastern Cape	99 907 593	5.2%	345	4.7%	234 522 123	72.1%	350 957 000	54.7%	10.3%	135	212
Free State	91 739 051	4.8%	392	5.4%	213 449 102	67.2%	354 693 000	49.1%	10.1%	120	221
Gauteng	754 448 413	39.5%	2 289	31.5%	1 748 061 908	64.5%	3 099 501 000	48.0%	9.9%	126	214
Kwazulu Natal	116 754 258	6.1%	494	6.8%	295 152 732	66.9%	588 655 000	48.8%	10.1%	140	207
Limpopo Province	76 524 028	4.0%	331	4.6%	174 790 089	65.9%	290 551 000	46.9%	10.2%	124	213
Mpumalanga	440 149 857	23.0%	2 022	27.8%	1 028 987 058	67.3%	2 230 414 000	49.6%	10.1%	126	213
North West	37 808 570	2.0%	188	2.6%	74 009 522	72.4%	175 266 000	49.8%	10.3%	126	214
Northern Cape	25 561 227	1.3%	172	2.4%	73 419 995	67.0%	150 227 000	48.1%	10.3%	125	211
Western Cape	269 364 866	14.1%	1 034	14.2%	720 716 369	68.6%	1 801 005 000	50.4%	10.1%	128	215
Total	1 912 257 863	100.0%	7 267	100.0%	4 563 108 897	66.7%	9 041 269 000	49.2%	10.0%	127	213
Property type											
House (Freehold)	1 616 241 717	84.5%	6 349	87.4%	3 975 883 071	65.6%	7 949 306 000	48.3%	10.0%	131	209
Multi-unit (Sectional Title)	238 907 074	12.5%	768	10.6%	413 219 326	75.8%	787 931 000	55.6%	10.0%	106	243
House (Complex)	8 511 201	0.4%	18	0.2%	15 440 000	64.1%	24 484 000	45.3%	10.0%	123	215
Small Holding	3 572 062	0.2%	16	0.2%	12 675 000	50.0%	20 200 000	33.2%	10.0%	121	180
Other	45 025 809	2.4%	116	1.6%	145 891 500	58.7%	259 348 000	46.9%	9.7%	98	220
Total	1 912 257 863	100.0%	7 267	100.0%	4 563 108 897	66.7%	9 041 269 000	49.2%	10.0%	127	213

NQABA FINANCE 1 (RF) LIMITED

Arrears analysis at determination date

	31/07/2017					30/04/2017				
	Loan balances		Number of loans		WA interest rate	Loan balances		Number of loans		WA interest rate
	R	%		%	%	R	%		%	%
Fully performing										
Current	1 812 002 777	94.8%	6 921	95.2%	9.9%	1 819 485 113	94.8%	6 957	95.3%	9.9%
Non-delinquent										
0 - 1 months	10 684 364	0.6%	75	1.0%	12.2%	10 293 242	0.5%	39	0.5%	12.0%
1 - 2 months	4 825 272	0.3%	18	0.2%	12.7%	11 533 962	0.6%	34	0.5%	13.2%
2 - 3 months	3 911 255	0.2%	11	0.2%	13.1%	5 178 019	0.3%	16	0.2%	13.2%
Total	19 420 891	1.0%	104	1.4%	12.5%	27 005 222	1.4%	89	1.2%	12.7%
Deteriorated										
3 - 4 months	2 135 351	0.1%	8	0.1%	13.3%	1 596 028	0.1%	9	0.1%	12.5%
4 - 5 months	863 070	0.0%	4	0.1%	12.6%	2 038 324	0.1%	9	0.1%	13.2%
5 - 6 months	1 579 020	0.1%	5	0.1%	13.4%	1 603 731	0.1%	9	0.1%	11.7%
6 - 12 months	1 874 593	0.1%	22	0.3%	12.5%	1 414 930	0.1%	39	0.5%	12.5%
>12 months	1 431 629	0.1%	18	0.2%	12.4%	1 687 673	0.1%	20	0.3%	12.3%
Total	7 883 663	0.4%	57	0.8%	12.9%	8 340 686	0.4%	86	1.2%	12.5%
Defaulted										
Litigation	29 211 557	1.5%	54	0.7%	12.4%	22 505 687	1.2%	49	0.7%	13.2%
Other categories										
Debt review	505 484	0.0%	1	0.0%	13.5%	-	0.0%	-	0.0%	0.0%
Arrangement	41 532 867	2.2%	124	1.7%	12.4%	41 135 027	2.1%	113	1.5%	12.5%
Third party attachment	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%
Properties sold	1 268 623	0.1%	4	0.1%	0.0%	833 519	0.0%	3	0.0%	0.0%
Properties in possession	432 000	0.0%	2	0.0%	0.0%	432 000	0.0%	2	0.0%	0.0%
Total	43 738 975	2.3%	131	1.8%	11.9%	42 400 546	2.2%	118	1.6%	12.2%
Total	1 912 257 863	100.0%	7 267	100.0%	10.0%	1 919 737 254	100.0%	7 299	100.0%	10.0%

Arrears reserve trigger

An arrears reserve trigger event shall occur on any determination date where the aggregate principal balances of home loans

(i) which are in arrears for more than 3 months; and/or

(ii) in respect of which the Issuer has instituted legal proceedings for the recovery of amounts owing,

exceeds 2.5% of the aggregate principal balances of the home loans and shall cease when such percentage reduces to 1.5%;

		31/07/2017	30/04/2017		
		R	R		
Aggregate principal balances on home loans as above	A	1 912 257 863	1 919 737 254		
Balances which are in arrears for more than 3 months	B	7 883 663	8 340 686		
Balances for which the Issuer has instituted legal proceedings	C	29 211 557	22 505 687		
Total arrears for calculation purposes	D = B + C	37 095 220	30 846 373		
Arrears %	E = D / A	1.94%	1.61%		
(The noteholders agreed to increase both triggers, effective 1 May 2017, hence the difference in trigger percentage from May 2017 onwards)					
Arrears reserve trigger level percentage		2.00%	1.50%		
Arrears reserve trigger level value		38 245 157	28 796 059		
If arrears % (E) previously exceeded 2%, check whether arrears have decreased to 1.5%		No	No		
Arrears trigger event		No	Yes		
If Yes, calculation of arrears reserve required:					
Original valuation of the related properties		9 642 494	23 592 987		
Latest valuation of the related properties		23 815 500	44 355 500		
Balances which are in arrears for more than 3 months	B	7 883 663	8 340 686		
60% of the lower of the original valuation and latest valuation	F	5 785 496	14 155 792		
Test difference between arrears and conservative value of related properties	G = B - F	2 098 166	(5 815 106)		
Has an arrears trigger event occurred?		No	Yes		
Arrears reserve required amount (if value greater, no cash reserve required)	H	-	-		
		Quarter	31/07/2017	30/06/2017	31/05/2017
		R	R	R	R
Changes in arrears reserve		-	-	-	-
Opening balance		-	-	-	-
Changes reflected in Priority of Payments		-	-	-	-
Closing balance	H	-	-	-	-

Related early amortisation arrears trigger

		31/07/2017	30/04/2017
		R	R
Notes in issue		1 660 000 000	1 660 000 000
Trigger per cent		2.50%	2.00%
Trigger value	I	41 500 000	33 200 000
Total arrears as defined above	D	37 095 220	30 846 373
Headroom (deficit)		4 404 780	2 353 627
Early amortisation arrears trigger event (D > I)		No	No

Provisions

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

	31/07/2017	30/04/2017
	R	R
Impairments applied to loan book excluding possessions	9 563 236	9 563 237
Impairments applied to possessions	322 000	322 000
Total impairments	9 885 236	9 885 237

Trends

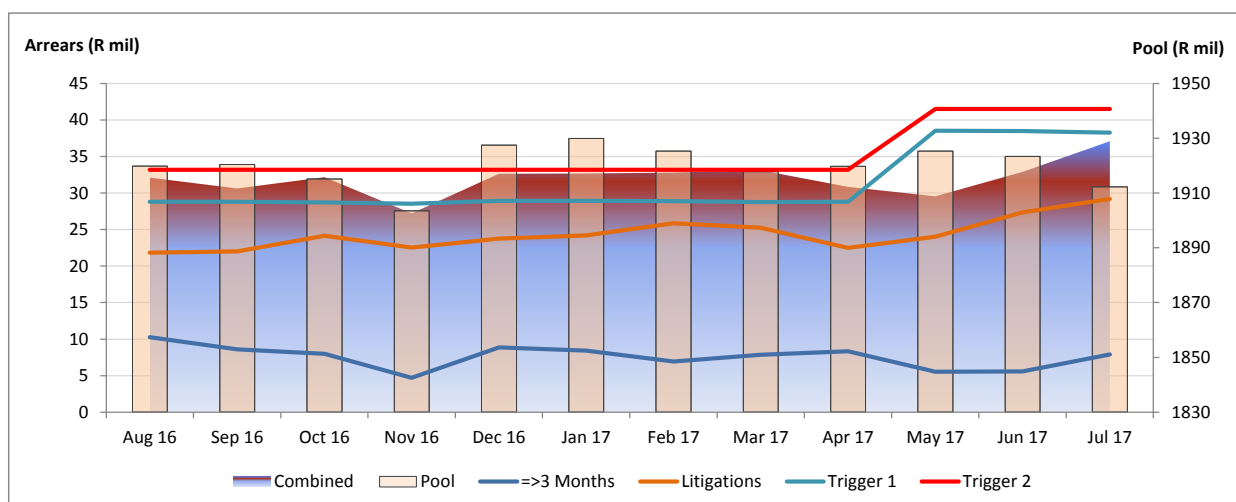
Arrears analysis (values in R million)

End of:	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17
Pool	1920	1920	1915	1903	1927	1930	1925	1918	1920	1925	1923	1912
Trigger 1 (%)	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	2.00%	2.00%	2.00%
Trigger 1	28.80	28.81	28.73	28.55	28.91	28.95	28.88	28.77	28.80	38.50	38.47	38.25
=>3 Months	10.25	8.60	7.99	4.70	8.88	8.44	6.93	7.86	8.34	5.52	5.56	7.88
Litigations	21.84	22.01	24.17	22.52	23.75	24.21	25.86	25.24	22.51	24.03	27.34	29.21
Combined	32.09	30.61	32.16	27.22	32.64	32.66	32.79	33.10	30.85	29.55	32.90	37.10
Notes	1660	1660	1660	1660	1660	1660	1660	1660	1660	1660	1660	1660
Trigger 2 (%)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
Trigger 2	33.20	33.20	33.20	33.20	33.20	33.20	33.20	33.20	33.20	41.50	41.50	41.50
Trigger 2 diff	1.11	2.59	1.04	5.98	0.56	0.54	0.41	0.10	2.35	11.95	8.60	4.40

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

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

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

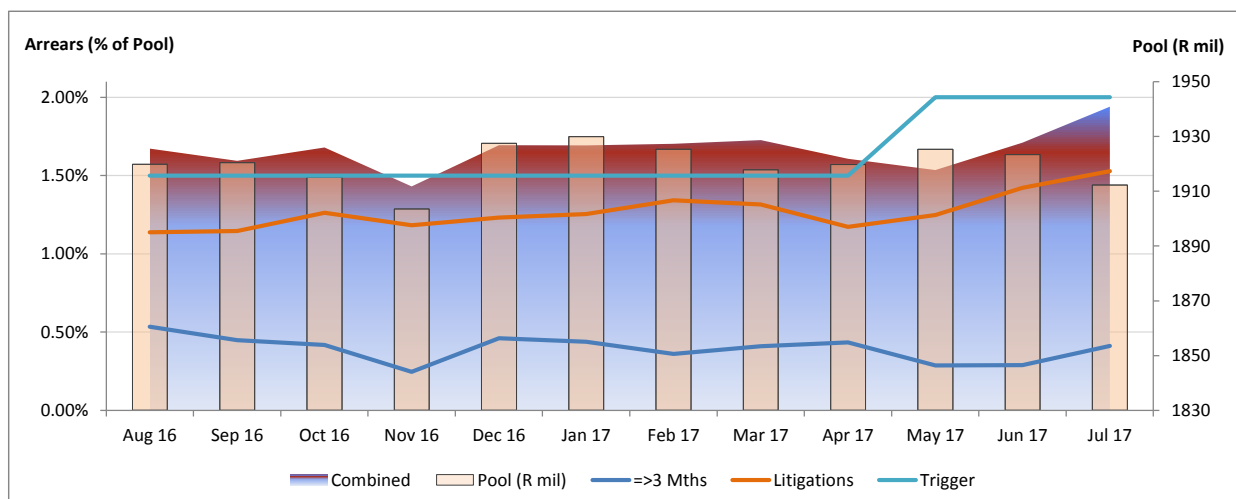


Arrears analysis (percentages)

End of:	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17
Pool (R mil)	1920	1920	1915	1903	1927	1930	1925	1918	1920	1925	1923	1912
=>3 Mths	0.53%	0.45%	0.42%	0.25%	0.46%	0.44%	0.36%	0.41%	0.43%	0.29%	0.29%	0.41%
Litigations	1.14%	1.15%	1.26%	1.18%	1.23%	1.25%	1.34%	1.32%	1.17%	1.25%	1.42%	1.53%
Combined	1.67%	1.59%	1.68%	1.43%	1.69%	1.69%	1.70%	1.73%	1.61%	1.53%	1.71%	1.94%
Trigger	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	2.00%	2.00%	2.00%

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

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



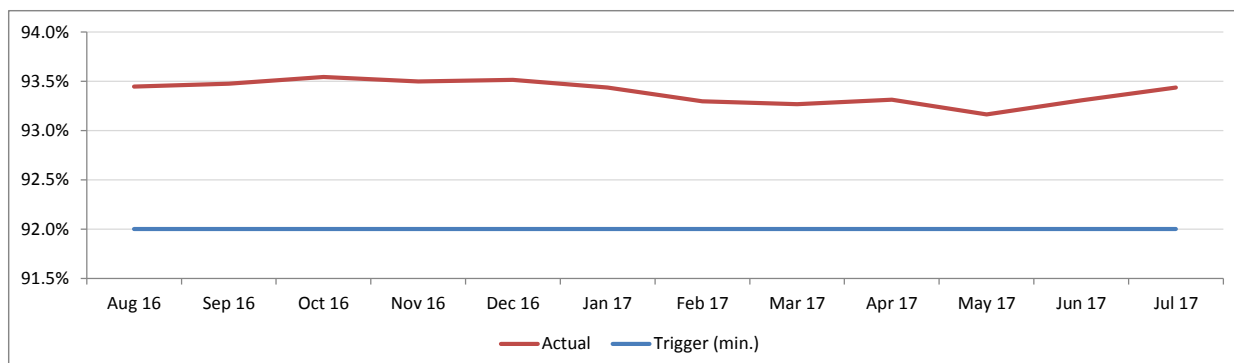
NQABA FINANCE 1 (RF) LIMITED

Trends

Payroll Deduction Percentage (number of borrowers)

End of:	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17
Actual	93.4%	93.5%	93.5%	93.5%	93.5%	93.4%	93.3%	93.3%	93.3%	93.2%	93.3%	93.4%
Trigger (min.)	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%	92.0%

Trigger = If breached, purchase of additional home loans prohibited

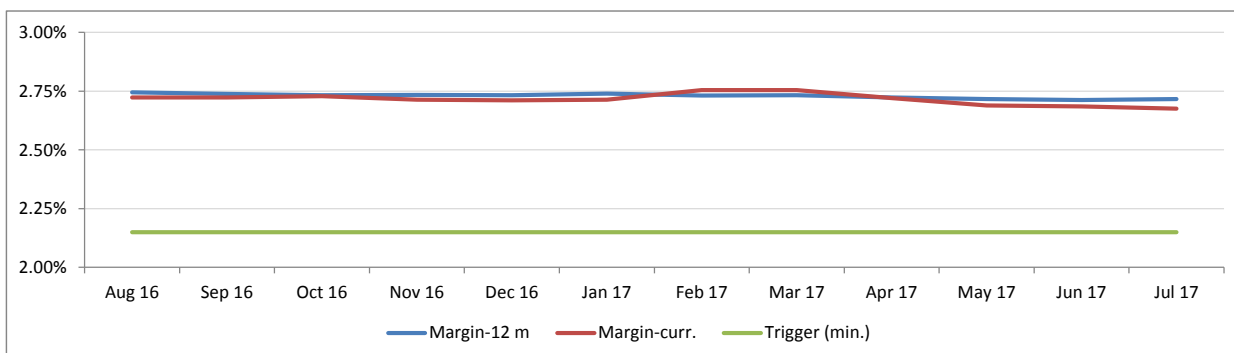


Interest rate margin

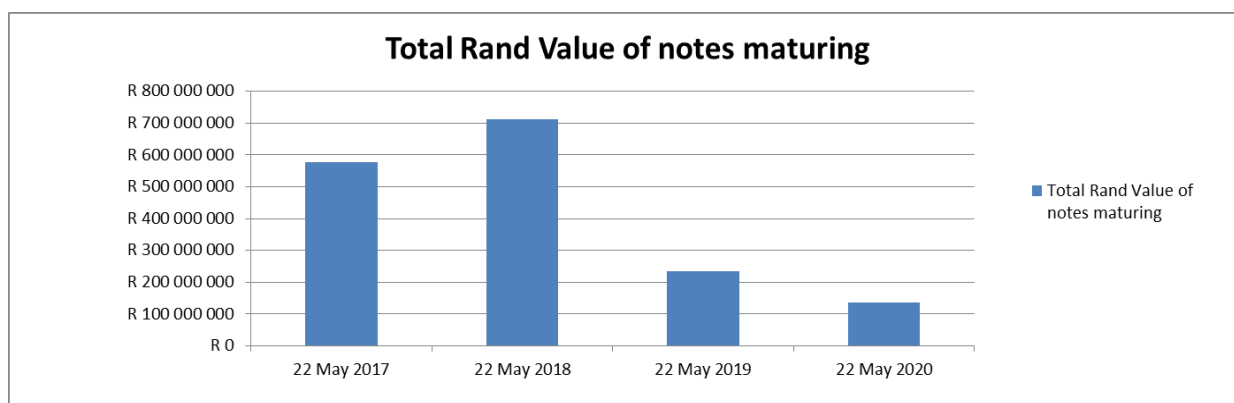
The Required Interest Rate margin between the weighted average home loan rate and the 3 month JIBAR rate is to be tested in two ways on Interest Payment date: the margin of the 12 months rolling averages of each rate and the margin of the actual rates applicable on those dates. For trend purposes, the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

End of:	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17
12 months rolling average:												
HL-12 m	9.65%	9.74%	9.82%	9.90%	9.97%	10.03%	10.05%	10.07%	10.07%	10.07%	10.06%	10.06%
Jibar-12 m	6.91%	7.00%	7.09%	7.17%	7.23%	7.29%	7.32%	7.34%	7.35%	7.35%	7.35%	7.34%
Margin-12 m	2.75%	2.74%	2.73%	2.73%	2.73%	2.74%	2.73%	2.73%	2.72%	2.72%	2.71%	2.72%
Current month:												
HL-current	10.06%	10.06%	10.07%	10.07%	10.07%	10.07%	10.08%	10.08%	10.05%	10.03%	10.03%	10.02%
Jibar-curr.	7.34%	7.34%	7.34%	7.36%	7.36%	7.36%	7.33%	7.33%	7.33%	7.34%	7.34%	7.34%
Margin-curr.	2.72%	2.72%	2.73%	2.71%	2.71%	2.71%	2.75%	2.75%	2.72%	2.69%	2.69%	2.68%
Trigger (min.)	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%

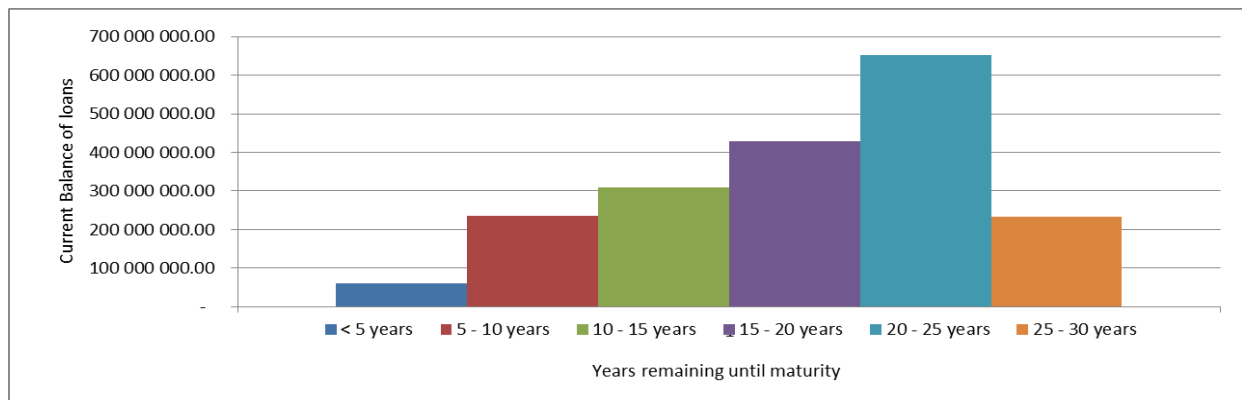
Trigger = If breached by both calculations on the same interest payment date, early amortisation required



Notes maturity analysis



Asset pool maturity analysis



NQABA FINANCE 1 (RF) LIMITED

Cumulative Note details to Interest payment date 22/08/2017

Class number	JSE stock code	ISIN	Issue date	Scheduled maturity and step-up date	Legal final maturity date	Tranche balance at transaction close R	Subsequent tranches issued R	Tranches redeemed on scheduled maturity dates R	Tranche balance at end of period R	Original rating at issue date	Current rating (31/05/2016)	Remaining life on scheduled maturity (years)	Weighted
A1	NQF1A1	ZAG000030701	31/05/2006	22/05/2009	22/05/2041	696 000 000		(696 000 000)	-	AAA(zaf)			
A2	NQF1A2	ZAG000030735	31/05/2006	22/05/2011	22/05/2043	376 000 000		(376 000 000)	-	AAA(zaf)			
A3	NQF1A3	ZAG000030685	31/05/2006	22/05/2011	22/05/2043	320 000 000		(320 000 000)	-	AAA(zaf)			
A4	NQF1A4	ZAG000044520	28/09/2007	22/05/2010	22/05/2042		304 000 000	(304 000 000)	-	AAA(zaf)			
A5	NQF1A5	ZAG000067760	22/05/2009	22/05/2010	22/05/2042		696 000 000	(696 000 000)	-	AAA(zaf)			
A6	NQF1A6	ZAG000077546	24/05/2010	22/05/2011	22/05/2043		100 000 000	(100 000 000)	-	AAA(zaf)			
A7	NQF1A7	ZAG000077553	24/05/2010	22/11/2011	22/11/2043		375 000 000	(375 000 000)	-	AAA(zaf)			
A8	NQF1A8	ZAG000077561	24/05/2010	22/05/2012	22/05/2044		30 000 000	(30 000 000)	-	AAA(zaf)			
A9	NQF1A9	ZAG000077579	24/05/2010	22/05/2013	22/05/2045		127 000 000	(127 000 000)	-	AAA(zaf)			
A10	NQ1A10	ZAG000077686	24/05/2010	22/05/2020	22/05/2052		115 000 000		115 000 000	AAA(zaf)	A1(sf) / Aaa.za(sf)	3.31	0.23
A11	NQ1A11	ZAG000085853	23/05/2011	22/05/2016	22/05/2048		205 000 000	(205 000 000)	-	AAA(zaf)			
A12	NQ1A12	ZAG000085879	23/05/2011	22/05/2014	22/05/2046		318 000 000	(318 000 000)	-	AAA(zaf)			
A13	NQ1A13	ZAG000085887	23/05/2011	22/05/2012	22/05/2044		273 000 000	(273 000 000)	-	AAA(zaf)			
A14	NQ1A14	ZAG000090648	22/11/2011	22/05/2013	22/05/2045		375 000 000	(375 000 000)	-	AAA(zaf)			
A15	NQ1A15	ZAG000095258	22/05/2012	22/05/2015	22/05/2047		303 000 000	(303 000 000)	-	AAA(zaf)			
A16	NQ1A16	ZAG000105933	22/05/2013	22/05/2016	22/05/2048		200 000 000	(200 000 000)	-	AAA(zaf)			
A17	NQ1A17	ZAG000105941	22/05/2013	22/05/2018	22/05/2050		302 000 000		302 000 000	AAA(zaf)	A1(sf) / Aaa.za(sf)	1.30	0.24
A18	NQ1A18	ZAG000115569	22/05/2014	22/05/2017	22/05/2049		318 000 000	(318 000 000)	-	AAA(zaf)			
A19	NQ1A19	ZAG000126509	22/05/2015	22/05/2018	22/05/1950		303 000 000		303 000 000	AAA(zaf)	A1(sf) / Aaa.za(sf)	1.30	0.24
A21	NQ1A21	ZAG000136664	23/05/2016	22/05/2019	22/05/2051		210 000 000		210 000 000	AAA(zaf)	A1(sf) / Aaa.za(sf)	2.30	0.29
A22	NQ1A22	ZAG000136722	22/05/2015	22/05/2017	22/05/2049		195 000 000	(195 000 000)	-	AAA(zaf)			
A23	NQ1A23	ZAG000143983	22/05/2017	22/05/2018	22/05/2050		5 000 000		5 000 000	AAA(zaf)	Aaa.za(sf)	1.30	0.00
A24	NQ1A24	ZAG000143991	22/05/2017	22/05/2020	22/05/2052		310 000 000		310 000 000	AAA(zaf)	Aaa.za(sf)	3.31	0.62
A25	NQ1A25	ZAG000144007	22/05/2017	22/05/2022	22/05/2054		150 000 000		150 000 000	AAA(zaf)	Aaa.za(sf)	5.31	0.48
A26	NQ1A26	Private placement	22/05/2017	22/05/2018	22/05/2050		48 000 000		48 000 000	AAA(zaf)	Aaa.za(sf)	1.30	0.04
Totals Class A						1 392 000 000	5 262 000 000	(5 211 000 000)	1 443 000 000				
B1	NQF1B1	ZAG000030719	31/05/2006	22/05/2009	22/05/2041	32 000 000		(32 000 000)	-	AA(zaf)			
B2	NQF1B2	ZAG000030743	31/05/2006	22/05/2011	22/05/2043	32 000 000		(32 000 000)	-	AA(zaf)			
B3	NQF1B3	ZAG000044538	28/09/2007	22/05/2010	22/05/2042		14 000 000	(14 000 000)	-	AA(zaf)			
B5	NQF1B5	ZAG000067778	22/05/2009	22/05/2010	22/05/2042		32 000 000	(32 000 000)	-	AA(zaf)			
B6	NQF1B6	ZAG000077587	24/05/2010	22/05/2011	22/05/2043		8 000 000	(8 000 000)	-	AA(zaf)			
B7	NQF1B7	ZAG000077595	24/05/2010	22/11/2011	22/11/2043		10 000 000	(10 000 000)	-	AA(zaf)			
B9	NQF1B9	ZAG000077611	24/05/2010	22/05/2013	22/05/2045		30 000 000	(30 000 000)	-	AA(zaf)			
B10	NQ1B10	ZAG000077702	24/05/2010	22/05/2020	22/05/2052		11 000 000		11 000 000	AA(zaf)	A3(sf) / Aaa.za(sf)	3.31	0.02
B11	NQ1B11	ZAG000085861	23/05/2011	22/05/2014	22/05/2046		32 000 000	(32 000 000)	-	AA(zaf)			
B12	NQ1B12	ZAG000085895	23/05/2011	22/05/2012	22/05/2044		8 000 000	(8 000 000)	-	AA(zaf)			
B13	NQ1B13	ZAG000090655	22/11/2011	22/05/2013	22/05/2045		10 000 000	(10 000 000)	-	AA(zaf)			
B14	NQ1B14	ZAG000095266	22/05/2012	22/05/2015	22/05/2047		8 000 000	(8 000 000)	-	AA(zaf)			
B15	NQ1B15	ZAG000105966	22/05/2013	22/05/2018	22/05/2050		40 000 000		40 000 000	AA(zaf)	A3(sf) / Aaa.za(sf)	1.30	0.03
B16	NQ1B16	ZAG000115577	22/05/2014	22/05/2017	22/05/2049		32 000 000	(32 000 000)	-	AA(zaf)			
B17	NQ1B17	ZAG000126467	22/05/2015	22/05/2018	22/05/2050		8 000 000		8 000 000	AA(zaf)	A3(sf) / Aaa.za(sf)	1.30	0.01
B19	NQ1B19	Private placement	22/05/2017	22/05/2018	22/05/2050		32 000 000		32 000 000	AAA(zaf)	Aaa.za(sf)	1.30	0.03
Totals Class B						64 000 000	275 000 000	(248 000 000)	91 000 000				
C1	NQF1C1	ZAG000030693	31/05/2006	22/05/2009	22/05/2041	32 000 000		(32 000 000)	-	A(zaf)			
C2	NQF1C2	ZAG000030727	31/05/2006	22/05/2011	22/05/2043	32 000 000		(32 000 000)	-	A(zaf)			
C3	NQF1C3	ZAG000044546	28/09/2007	22/05/2010	22/05/2042		14 000 000	(14 000 000)	-	A(zaf)			
C5	NQF1C5	ZAG000067778	22/05/2009	22/05/2010	22/05/2042		32 000 000	(32 000 000)	-	A(zaf)			
C6	NQF1C6	ZAG000077629	24/05/2010	22/05/2011	22/05/2043		5 000 000	(5 000 000)	-	A(zaf)			
C7	NQF1C7	ZAG000077637	24/05/2010	22/11/2011	22/11/2043		13 000 000	(13 000 000)	-	A(zaf)			
C9	NQF1C9	ZAG000077652	24/05/2010	22/05/2013	22/05/2045		12 000 000	(12 000 000)	-	A(zaf)			
C10	NQ1C10	ZAG000077694	24/05/2010	22/05/2020	22/05/2052		5 000 000		5 000 000	A(zaf)	Baa1(sf) / Aaa.za(sf)	3.31	0.01
C11	NQ1C11	ZAG000085903	23/05/2011	22/05/2014	22/05/2046		32 000 000	(32 000 000)	-	A(zaf)			
C12	NQ1C12	ZAG000085911	23/05/2011	22/05/2012	22/05/2044		5 000 000	(5 000 000)	-	A(zaf)			
C13	NQ1C13	ZAG000090630	22/11/2011	22/05/2013	22/05/2045		13 000 000	(13 000 000)	-	A(zaf)			
C14	NQ1C14	ZAG000095241	22/05/2012	22/05/2015	22/05/2047		5 000 000	(5 000 000)	-	A+(zaf)			
C15	NQ1C15	ZAG000105958	22/05/2013	22/05/2018	22/05/2050		25 000 000		25 000 000	A+(zaf)	Baa1(sf) / Aaa.za(sf)	1.30	0.02
C16	NQ1C16	ZAG000115585	22/05/2014	22/05/2017	22/05/2049		32 000 000	(32 000 000)	-	A+(zaf)			
C17	NQ1C17	ZAG000126459	22/05/2015	22/05/2018	22/05/1950		5 000 000		5 000 000	A+(zaf)	Baa1(sf) / Aaa.za(sf)	1.30	0.00
C19	NQ1C19	Private placement	22/05/2017	22/05/2018	22/05/2050		32 000 000		32 000 000	AAA(zaf)	Aaa.za(sf)	1.30	0.03
Totals Class C						64 000 000	230 000 000	(227 000 000)	67 000 000				
D1	NQF1D1	ZAG000030750	31/05/2006	22/05/2009	22/05/2041	24 000 000		(24 000 000)	-	BBB(zaf)			
D2	NQF1D2	ZAG000030677	31/05/2006	22/05/2011	22/05/2043	24 000 000		(24 000 000)	-	BBB(zaf)			
D3	NQF1D3	ZAG000044553	28/09/2007	22/05/2010	22/05/2042		11 000 000	(11 000 000)	-	BBB(zaf)			
D4	NQF1D4	ZAG000077660	24/05/2010	22/05/2013	22/05/2045		30 000 000	(30 000 000)	-	BBB(zaf)			
D5	NQF1D5	ZAG000077678	24/05/2010	22/05/2020	22/05/2052		5 000 000		5 000 000	BBB(zaf)	Baa2(sf) / Aa1.za(sf)	3.31	0.01
D6	NQF1D6	ZAG000085929	23/05/2011	22/05/2016	22/05/2048		24 000 000	(24 000 000)	-	BBB(zaf)			
D7	NQF1D7	ZAG000105974	22/05/2013	22/05/2018	22/05/2050		30 000 000		30 000 000	A-(zaf)	Baa2(sf) / Aa1.za(sf)	1.30	0.02
D8	NQF1D8	ZAG000136656	23/05/2016	22/05/2019	22/05/2051		24 000 000		24 000 000	A-(zaf)	Baa2(sf) / Aa1.za(sf)	2.30	0.03
Totals Class D						48 000 000	124 000 000	(113 000 000)	59 000 000				
Totals all Notes						1 568 000 000	5 891 000 000	(5 799 000 000)	1 660 000 000				2.34

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

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Note interest calculations for current interest payment date 22/08/2017

Class number	JSE stock code	Balance start of period R	Interest reset date	Interest payment date	Step up call date	Number of days	3 month Jibar	Margin or fixed rate	Step up margin or fixed rate	Total note coupon	Interest accrued and paid R	Principal raised (distributed) R	Balance end of period R
A10	NQ1A10	115 000 000	22/05/2017	22/08/2017	22/05/2020	92	Fixed	10.435%	+25 bps	10.435%	3 024 721	-	115 000 000
A17	NQ1A17	302 000 000	22/05/2017	22/08/2017	22/05/2018	92	7.342%	1.100%	1.540%	8.442%	6 426 097	-	302 000 000
A19	NQ1A19	303 000 000	22/05/2017	22/08/2017	22/05/2018	92	7.342%	1.390%	1.946%	8.732%	6 668 856	-	303 000 000
A21	NQ1A21	210 000 000	22/05/2017	22/08/2017	22/05/2019	92	7.342%	1.570%	2.198%	8.912%	4 717 256	-	210 000 000
A23	NQ1A23	5 000 000	22/05/2017	22/08/2017	22/05/2018	92	7.342%	1.050%	1.470%	8.392%	105 762	-	5 000 000
A24	NQ1A24	310 000 000	22/05/2017	22/08/2017	22/05/2020	92	7.342%	1.600%	2.240%	8.942%	6 987 009	-	310 000 000
A25	NQ1A25	150 000 000	22/05/2017	22/08/2017	22/05/2022	92	7.342%	1.840%	2.576%	9.182%	3 471 551	-	150 000 000
A26	NQ1A26	48 000 000	22/05/2017	22/08/2017	22/05/2018	92	7.342%	1.040%	1.456%	8.382%	1 014 107	-	48 000 000
Totals Class A		1 443 000 000						Weighted average:		8.912%	32 416 568	-	1 443 000 000
B10	NQ1B10	11 000 000	22/05/2017	22/08/2017	22/05/2020	92	Fixed	10.635%	+55 bps	10.635%	294 866	-	11 000 000
B15	NQ1B15	40 000 000	22/05/2017	22/08/2017	22/05/2018	92	7.342%	1.250%	1.750%	8.592%	866 262	-	40 000 000
B17	NQ1B17	8 000 000	22/05/2017	22/08/2017	22/05/2020	92	7.342%	1.820%	2.548%	9.162%	184 747	-	8 000 000
B19	NQ1B19	32 000 000	22/05/2017	22/08/2017	22/05/2018	92	7.342%	1.250%	1.750%	8.592%	693 010	-	32 000 000
Totals Class B		91 000 000						Weighted average:		8.889%	2 038 884	-	91 000 000
C10	NQ1C10	5 000 000	22/05/2017	22/08/2017	22/05/2020	92	Fixed	10.835%	+100 bps	10.835%	136 551	-	5 000 000
C15	NQ1C15	25 000 000	22/05/2017	22/08/2017	22/05/2018	92	7.342%	1.350%	1.890%	8.692%	547 715	-	25 000 000
C17	NQ1C17	5 000 000	22/05/2017	22/08/2017	22/05/2020	92	7.342%	2.250%	3.150%	9.592%	120 885	-	5 000 000
C19	NQ1C19	32 000 000	22/05/2017	22/08/2017	22/05/2018	92	7.342%	1.400%	1.960%	8.742%	705 108	-	32 000 000
Totals Class C		67 000 000						Weighted average:		8.943%	1 510 259	-	67 000 000
D5	NQF1D5	5 000 000	22/05/2017	22/08/2017	22/05/2020	92	7.342%	3.250%	+325 bps	10.592%	133 488	-	5 000 000
D7	NQF1D7	30 000 000	22/05/2017	22/08/2017	22/05/2018	92	7.342%	1.550%	2.170%	8.892%	1 288 928	-	30 000 000
D8	NQF1D8	24 000 000	22/05/2017	22/08/2017	22/05/2019	92	7.342%	2.850%	3.990%	10.192%	616 546	24 000 000	24 000 000
Totals Class D		59 000 000						Weighted average:		9.565%	1 422 416	24 000 000	59 000 000
Totals all Notes		1 660 000 000						Weighted average:		8.935%	37 388 127	24 000 000	1 660 000 000
Subordinated loan		290 000 000	22/05/2017	22/08/2017		92	7.342%	5.000%		12.342%	9 021 495		290 000 000
Total funding		1 950 000 000						Weighted average interest rate all funding:		9.442%	46 409 622	24 000 000	1 950 000 000

Credit enhancement limit 17.5% of notes outstanding
Current value of credit enhancement 17.5% of notes outstanding
Credit enhancement committed and not drawn 0%
Credit enhancement in the form of a subordinated loan of R290 000 00 from EFC is available to all classes of notes.

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

Interest swaps on fixed interest Notes for current interest payment date 22/08/2017

Trade number	JSE stock code	Nominal value R	Interest reset date	Interest payment date	Number of days	Fixed rate	Floating: 3 month Jibar	Total after margin added	Receive fixed R	Pay floating R	Net receipt / (payment) R
9527572	NQ1A10	115 000 000	22/05/2017	22/08/2017	92	10.435%	7.342%	9.442%	3 024 721	(2 736 887)	287 834
9527542	NQ1B10	11 000 000	22/05/2017	22/08/2017	92	10.635%	7.342%	9.642%	294 866	(267 334)	27 532
9527501	NQ1C10	5 000 000	22/05/2017	22/08/2017	92	10.835%	7.342%	9.842%	136 551	(124 036)	12 515
		131 000 000					Weighted averages: 10.467%	9.474%	3 456 138	(3 128 257)	327 880

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

Liquidity and redraw facilities at Interest payment date

Liquidity facility	22/08/2017 R	22/05/2017 R	Redraw facility	22/08/2017 R	22/05/2017 R
Facility limit (2% of Notes issued)	33 200 000	33 200 000	Facility limit	510 000 000	510 000 000
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	33 200 000	33 200 000	Available facility at end of period	510 000 000	510 000 000
The facility is due for renewal on 21/02/2018. It has never been used. The fee charge is 0.55% of the facility limit.			The facility is due for renewal on 21/02/2018. It has never been used. The fee charge is 0.55% of the facility limit.		

Early amortisation events (summary)

	22/08/2017	22/05/2017
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:		
Any new tax which has a material adverse effect on the Issuer	Reference	Breach
Any Servicer event of default	No	No
The Arrears Reserve (if required) is not fully funded for six consecutive payment dates	Pages 7, 13	No
The weighted average current LTV exceeds the required weighted average current LTV by more than 10%	Page 3	No
The aggregate principal balances of home loans which are in arrears for more than 3 months exceeds 2.5% of the outstanding principal amount of the Notes	Page 7	No
The Issuer does not achieve the required interest margin	Page 3	No
A Principal deficiency exists on any payment date	Page 13	No
The rating assigned to Eskom Holdings SOC Limited is downgraded below A2.za	Page 2	No

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Principal deficiency ledger at Interest payment date

	22/08/2017 R	22/05/2017 R
Early amortisation event - a principal deficiency exists on any payment date		
A Principal Deficiency is defined as: the amount of the Liabilities expected to exist, less the Assets expected to exist on the immediately succeeding payment date after having made all payments in accordance with the priority of payments on that payment date, if the result is less than zero.		
Liabilities		
Aggregate outstanding principal of the notes	1 660 000 000	1 660 000 000
Less: Amount allocated for the redemption of notes	-	(577 000 000)
- Class A	-	(513 000 000)
- Class B	-	(32 000 000)
- Class C	-	(32 000 000)
- Class D	-	-
Plus: Funds raised through refinancing	-	577 000 000
Plus: Principal amount outstanding under the redraw facility at the end of the preceding collection period	-	-
Less: Amount allocated in current priority of payments to repay the redraw facility	-	-
Total liabilities (L)	1 660 000 000	1 660 000 000
Assets		
Aggregate principal balances of home loans on the last day of the immediately preceding Collection Period	1 912 257 861	1 919 737 252
Plus: Home loans transferred on the next day from funds previously allocated	15 451 541	16 706 234
Total principal balances at start of current period	1 927 709 402	1 936 443 486
Amount allocated to purchase additional home loans on the immediately succeeding Payment Date *	22 290 598	13 556 514
* For practical reasons, transfers occur at the start of the next Collection Period		
Total assets (A)	1 950 000 000	1 950 000 000
Principal deficiency (L - A) (never less than zero) (PD)	-	-
Conclusion: No principal deficiency exists		

Interest Deferral events

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

Principal Deficiency calculated above (PD)	-	-
Class D interest deferral test to protect class C and above Noteholders		
Class D Notes	59 000 000	59 000 000
Class E Notes	-	-
Subordinated loan	290 000 000	290 000 000
Total (D)	349 000 000	349 000 000
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)	67 000 000	67 000 000
Net Principal Deficiency (PD - D - C) (never less than zero)	-	-
Class B interest deferral test to protect class A Noteholders		
Class B Notes (B)	91 000 000	91 000 000
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	-	-

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

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Cash flow statement to determination date

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

	Three months ended:	
	31/07/2017	30/04/2017
	R	R
Loss before tax per income statement	(783 469)	(3 231 995)
Add back:		
Fair value adjustments	-	41 300
Funds from operations	(783 469)	(3 190 695)
Taxation paid	-	(5 861 381)
Increase in Notes including accrued interest	2 168 438.76	136 015
Decrease in portfolio assets including accrued interest	7 479 390.56	13 637 418
(Increase) in arrears reserve funded	-	-
(Increase) decrease in amounts due by EFC and accounts receivable	(4 060 906.79)	1 410 625
(Decrease) in amounts due to EFC and accounts payable	(1 207 242.43)	(13 118 561)
Increase (decrease) in funds	3 596 211	(6 986 579)
Funds available at beginning of the period	91 544 556	98 531 134
Funds available at end of the period to Priority of Payments	95 140 767	91 544 555

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

	22/08/2017	22/05/2017
	R	R
Cash at bank as above	95 140 767	91 544 555
Refinancing of Notes	-	577 000 000
Add: Commingling amounts subsequently received from EFC	28 676 221	24 582 161
Less: commingling amounts payable to EFC	(3 779 747)	(4 825 915)
Available cash	120 037 241	688 300 801
Payments		
1 South African Revenue Services	-	(112 657)
2 Security SPV trust, owner trust and third party payments	(2 750 239)	(1 772 921)
3 Derivative counterparty settlement received (paid)	327 880	322 619
4 Liquidity facility provider - fees	(42 929)	(41 529)
5 Redraw facility provider - fees	(659 451)	(637 947)
6 Class A to D Note holders:		
Interest on Class A notes	(32 416 568)	(30 517 478)
Surplus / (Deficit)	84 495 935	655 540 888
Interest on Class B notes	(2 038 884)	(1 961 280)
Interest payable	(2 038 884)	(1 961 280)
Less: Class B interest deferred	-	-
Interest on Class C notes	(1 510 259)	(1 458 442)
Interest payable	(1 510 259)	(1 458 442)
Less: Class C interest deferred	-	-
Interest on Class D notes	(1 422 416)	(1 373 587)
Interest payable	(1 422 416)	(1 373 587)
Less: Class D interest deferred	-	-
Surplus / (Deficit)	79 524 376	650 747 580
7 Arrears reserve (increase) decrease	-	-
8 Redraw facility provider	-	-
9 Matured Class A to D Note holders (classes B to D payments subject to Interest Deferral Events)	-	(577 000 000)
10 Additional home loans		
Purchase of additional home loans (per home loan sale agreement) (potential purchase amount less amount applied to item 8 above)	(15 451 541)	(16 706 234)
11 Purchases Reserve:		
Potential purchase amount: an amount determined on each determination date prior to the application of funds on the following payment date:		
Outstanding principal of the Notes	1 660 000 000	1 660 000 000
Plus: Outstanding principal amount of subordinated loan	290 000 000	290 000 000
Less: Principal balance of Home Loans	(1 912 257 861)	(1 919 737 252)
Less: Amounts applied to items 8 and 10	(15 451 541)	(16 706 234)
Required purchases reserve	22 290 598	13 556 514
	(22 290 598)	(13 556 514)
12 Class A to D Note holders: other amounts due	-	-
13 Derivative counterparty	-	-
Surplus / (Deficit)	41 782 237	43 484 832
14 Issuer expenses in excess of issuer expenses cap	-	-
15 Interest on Class E notes	-	-
16 Subordinated loan interest	(9 021 495)	(8 715 295)
17 Class E Note holders: Matured capital	-	-
18 Class E Note holders: Capital	-	-
19 Preference shareholder: Dividend due and payable	-	-
20 To Permitted Investments while amounts are outstanding to Secured Creditors	(32 760 742)	(34 769 538)
	-	-

NQABA FINANCE 1 (RF) LIMITED

	Quarter ended 31/07/2017 R	YTD 31/07/2017 R	YTD 30/04/2017 R
Statement of Comprehensive Income			
NB: These figures are derived from the unaudited management accounts and are subject to change.			
Financing income	48 632 892	64 488 742	15 855 850
Financing cost	46 194 521	61 034 773	14 840 252
Financing margin	2 438 371	3 453 969	1 015 598
Loan losses	(81 943)	(343 338)	(261 395)
Loan losses written off	(81 943)	(343 338)	(261 395)
Impairment provisions	-	-	-
Interest received from bank	1 180 026	1 502 460	322 434
Interest swap	322 619	322 619	-
Fair value adjustments	-	-	-
Settlements received (paid)	322 619	322 619	-
Operating profit	3 859 073	4 935 710	1 076 637
Operating expenditure	(4 642 543)	(5 316 833)	(674 290)
Net profit/(loss) before tax	(783 469)	(381 122)	402 347
Taxation - normal tax	112 657	-	(112 657)
Taxation - deferred tax	-	-	-
Net profit/(loss) after tax	(670 812)	(381 122)	289 690
Retained income at beginning of the period	51 299 897	51 010 207	51 010 207
Retained income at end of the period	50 629 085	50 629 085	51 299 897

	31/07/2017 R	30/04/2017 R
Statement of Financial Position		
NB: These figures are derived from the unaudited management accounts and are subject to change.		

Assets		
Non-Current Assets	1 903 737 005	1 911 216 396
Home loan advances	1 902 262 625	1 909 742 015
Properties in possession	110 000	110 000
Deferred tax	1 364 381	1 364 381
Current Assets	137 918 757	130 261 639
Amounts due by EFC	28 676 221	24 582 161
Cash and cash equivalents	95 140 767	91 544 556
Arrears reserve	-	-
SA Revenue Services	10 675 865	10 675 865
Prepayments	-	33 153
Interest swap fair value	3 425 904	3 425 904
Total assets	2 041 655 762	2 041 478 035
Equity and liabilities		
Capital and reserves	50 629 186	51 299 998
Share capital	101	101
Distributable reserves	50 629 085	51 299 897
Non-current liabilities	1 985 311 669	1 983 143 230
Interest-bearing debt	1 985 311 669	1 983 143 230
Current Liabilities	5 714 908	7 034 807
Trade and other payables	1 935 161	2 096 235
Amounts due to EFC	3 779 747	4 825 915
Interest swap fair value	-	-
Deferred tax	-	-
SA Revenue Services	-	112 657
Total equity and liabilities	2 041 655 762	2 041 478 035

	Quarter ended: R	22/08/2017 %	22/05/2017 R / %
Excess spread			
Average loan pool balance	1 920 138 443		1 923 184 228
Interest received to determination date	48 629 447	10.05%	10.08%
Expenses per Priority of Payments (POP)	(3 452 619)	-0.71%	-0.52%
	45 176 828	9.33%	9.56%
Note coupon less swap per POP	(37 060 247)	-7.66%	-7.46%
Excess spread before subordinated loan interest	8 116 581	1.68%	2.10%
Subordinated loan interest per POP	(9 021 495)	-1.86%	-1.86%
Excess spread	(904 914)	-0.19%	0.24%

NQABA FINANCE 1 (RF) LIMITED

Abridged glossary of definitions

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

Absa House Price Index	the National House Price Index published quarterly by Absa on its website at: http://www.absa.co.za/Absacoza/Individual/Borrowing/Home-loans/Property-Research
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 arrear
Instalment	the monthly payment in respect of principal, interest (or a combination of both) and insurance premiums, if applicable, due in respect of a Home Loan, in accordance with the provisions of the relevant Home Loan Agreement
Interest Payment Date(s)	in relation to each Tranche of Notes, the interest payment dates specified as such in the Applicable Pricing Supplement. (In practice, all current notes issued have the same interest payment dates - see page 2.)
Issuer Expense Cap	an annual amount calculated by the Manager in respect of each financial year of the Issuer in respect of items 2 to 5 of the Priority of Payments, and notified in writing to the Issuer and the Rating Agency, which amount shall not exceed 0.35% of the aggregate of the Outstanding Principal Amounts of the Notes in issue from time to time plus any amounts outstanding under the Subordinated Loan(s)

NQABA FINANCE 1 (RF) LIMITED

Abridged glossary of definitions

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

NQABA FINANCE 1 (RF) LIMITED

Abridged glossary of definitions

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