

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

## **INVESTOR REPORT 23 FEBRUARY 2021 TO 24 MAY 2021**

### **COVID 19 AND MARKET DISRUPTION NOTICE**

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

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

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

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

In terms of the Applicable Pricing Supplements, there have been changes to the interest payable on the Matured Notes and, for certain notes, also from the start of the amortisation period, as detailed on page 13 of this report.

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**Investor Report**  
**for the period ending 24 May 2021**

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**Copies of Nqaba Investor Reports are available from:**

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

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

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## NQABA FINANCE 1 (RF) LIMITED

### Counterparties and salient information

Issuer	Nqaba Finance 1 (RF) Ltd (Nqaba)	Financial year end: 31 March		
Issuer Owner Trust	Nqaba Finance 1 Owner Trust (Trustee: Maitland Trustees (Pty) Ltd)			
Security SPV	Nqaba Finance 1 Security SPV (Pty) Ltd			
Security SPV Owner Trust	Nqaba Finance 1 Security SPV Owner Trust (Trustee: Maitland Trustees (Pty) Ltd)			
Programme manager	Absa Corporate and Investment Bank (Absa CIB) (a division of Absa Bank Ltd (Absa)) <sup>1</sup>			
Back-up servicer	Absa Home Loans (a division of Absa)			
Rating agency	Moody's Investors Service Inc	<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 1 360 162 525
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 February 2021 to 23 May 2021 (91 days inclusive)
Current interest payment date	Monday, 24 May 2021
Next interest payment date	Monday, 23 August 2021
Asset class	Residential Mortgage Backed Securities in an evergreen revolving structure. Scheme has moved to early amortisation from 31 July 2020.
Repayment type	Fully amortising equal monthly interest and principal payments
Current collection period	01 February 2021 to 30 April 2021 (89 days)
Current determination date	Friday, 30 April 2021

#### Transaction overview

The collateral home loans comprise amortising loans originated by EFC to direct employees of Eskom and a limited number of loans to employees of other Eskom group companies. The loans are advanced to borrowers for the purchase of immovable residential property (including Sectional Title property) situated in South Africa, against the security of mortgage bonds registered over the properties in favour of the Home Loan Lender (initially the Seller, subsequently the Issuer). Most loan payments are subsidised by Eskom and are serviced through salary deductions. In the revolving period, qualifying home loans are purchased each month from EFC to top up the asset pool but in the Amortising Period, funds must be applied to the redemption of Notes, so no further loans can be purchased.

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

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

**NQABA FINANCE 1 (RF) LIMITED**

**Collateral portfolio characteristics**

	Current period		Previous period		Transaction close	
	01/02/2021 to 30/04/2021	01/11/2020 to 31/01/2021	01/11/2020 to 31/01/2021	31/05/2006	01/11/2020 to 31/01/2021	31/05/2006
Collection period:	R	Loans	R	Loans	R	Loans
<b>Balance brought forward</b>	1,776,023,115	6,126	1,828,620,692	6,243	-	-
Instalments received	(50,760,052)		(51,941,124)			
Interest charged	27,765,607		29,644,012			
Insurance charged	3,536,347		1,042,167			
Valuation fees	82,203		109,390			
Principal repaid	(19,375,896)		(21,145,554)			
Unscheduled repayments (prepayments)	(58,426,844)	(195)	(45,559,089)	(117)		
Total Principal collections	(77,802,740)		(66,704,643)			
New loans purchased	-	-	-	-	1,370,652,558	8,382
Advances and redraws	17,109,158		14,689,539			
Loan losses written off	-		(582,473)			
Loan losses recovered	-		-			
Interest adjustments	-		-			
<b>Balance at end of period</b>	<b>1,715,329,532</b>	<b>5,931</b>	<b>1,776,023,115</b>	<b>6,126</b>	<b>1,370,652,558</b>	<b>8,382</b>
Original value of loans advanced	2,199,495,208		2,258,876,301			
Latest current valuations of properties	4,064,450,670		4,196,239,882			
Weighted average number of months since last valuation	99		97			
Indexed values of properties	5,901,361,000		6,111,761,000			
Weighted average seasoning (months)	144		141		65	
Weighted average term to maturity (months)	199		201		261	
Largest asset value	3,035,133		3,057,577		N/A	
Months in the period	3		3		Since transaction close	179
Loan book balance used as denominator for CPR and DR percentages below	1,776,023,115		1,828,620,692		1,776,023,115	
Prepayments	58,426,844		45,559,089		2,535,714,289	
Annualised constant prepayment rate (CPR)	13.2%		10.0%		9.6%	
Loan losses	-		582,473		11,611,437	
Annualised default rate (DR)	0.000%		0.127%		0.044%	

**Possessions**

	Current period		Previous period	
	01/02/2021 to 30/04/2021	01/11/2020 to 31/01/2021	01/11/2020 to 31/01/2021	01/11/2020 to 31/01/2021
Collection period:	R	Loans	R	Loans
Possessions at start of period	1,591,578	3	1,591,578	3
Changes	-	-	-	-
Possessions at end of period	<b>1,591,578</b>	<b>3</b>	<b>1,591,578</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 provided for comparative purposes:

	Current period		Previous period		Transaction close	
	01/02/2021 to 30/04/2021	01/11/2020 to 31/01/2021	01/11/2020 to 31/01/2021	31/05/2006	01/11/2020 to 31/01/2021	31/05/2006
Collection period:	Required	Actual	Required	Actual	Required	Actual
Weighted average Original Loan to Value (%)	=< 93.0	90.2	=< 93.0	90.2	=< 93.6	92.5
Weighted average Current Loan to Value (%)	=< 73.0	67.7	=< 73.0	67.7	=< 76.5	75.9
Weighted average Payment to Income (%)	=< 18.0	10.0	=< 18.0	9.8	=< 17.4	16.5
Minimum payroll deduction (number) (%)	=> 90.0	91.0	=< 90.0	91.3	=< 97.0	100.0
Maximum second property loans (number) (%) <sup>1</sup>	=< 8.5	3.0	=< 8.5	2.9	=< 7.5	1.5
Minimum direct Eskom employees (number) (%)	=> 86.0	89.1	=> 86.0	89.0	=> 85.0	100.0
Average outstanding balance	=< R 400 000	R 289 214	=< R 400 000	R 289 916	=< R300 000	R 163,523

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

**Related early amortisation events**

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

	Current period		Previous period		Transaction close	
	01/02/2021 to 30/04/2021	01/11/2020 to 31/01/2021	01/11/2020 to 31/01/2021	31/05/2006	01/11/2020 to 31/01/2021	31/05/2006
Collection period:	Required	Actual	Required	Actual	Required	Actual
12 month rolling average rates:						
Weighted average home loan rate		6.65%		7.30%		
3 month Jibar daily rate		3.66%		4.21%		
Margin	=> 2.15%	2.99%	=> 2.15%	3.09%		
<b>And</b>						
Current actual rates at interest payment date:						
Weighted average home loan rate		6.56%		6.56%		9.64%
3 month Jibar rate		3.64%		3.35%		7.70%
Margin	=> 2.15%	2.92%	=> 2.15%	3.21%	=> 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	
	01/02/2021 to 30/04/2021	01/11/2020 to 31/01/2021	01/11/2020 to 31/01/2021	01/11/2020 to 31/01/2021
Collection period:	Required	Actual	Required	Actual
Weighted average Current Loan to Value (%)	=< 83.0	67.7	=< 83.0	67.7

**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 30/04/2021**

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning Months	Weighted average term to maturity Months
	R	%	R	%	R	%	R	%	%	Months	Months
<b>Original Loan to Value</b>											
0% - 30%	25,100,792	1.5%	153	2.6%	138,872,900	34.9%	192,667,000	28.0%	6.5%	209	123
30% - 50%	49,925,711	2.9%	241	4.1%	235,125,000	44.6%	310,849,000	39.2%	6.7%	183	155
50% - 70%	136,268,612	7.9%	481	8.1%	427,672,992	50.5%	576,219,000	44.1%	6.5%	140	178
70% - 80%	141,802,860	8.3%	410	6.9%	360,492,400	60.0%	483,812,000	51.0%	6.4%	132	200
80% - 90%	252,212,306	14.7%	631	10.6%	533,405,175	68.9%	745,485,000	59.5%	6.5%	114	217
90% - 100%	576,062,566	33.6%	1,893	31.9%	1,250,450,339	71.4%	1,818,564,000	58.9%	6.5%	132	212
100%+	533,956,685	31.1%	2,122	35.8%	1,118,431,864	73.3%	1,773,765,000	57.0%	6.7%	168	190
<b>Total</b>	<b>1,715,329,532</b>	<b>100.0%</b>	<b>5,931</b>	<b>100.0%</b>	<b>4,064,450,670</b>	<b>67.7%</b>	<b>5,901,361,000</b>	<b>55.5%</b>	<b>6.6%</b>	<b>144</b>	<b>199</b>
<b>Weighted average</b>		<b>90.2%</b>									
<b>Current Loan to Value</b>											
0% - 30%	165,743,682	9.7%	2,591	43.7%	1,712,440,231	19.0%	2,725,262,000	14.2%	6.4%	226	102
30% - 50%	237,571,270	13.8%	810	13.7%	596,163,795	40.7%	877,062,000	30.9%	6.4%	183	151
50% - 70%	429,188,174	25.0%	944	15.9%	711,581,383	60.9%	982,695,000	48.2%	6.4%	148	193
70% - 80%	313,432,049	18.3%	578	9.7%	416,823,632	75.3%	541,231,000	61.2%	6.5%	124	220
80% - 90%	349,160,220	20.4%	642	10.8%	412,117,977	84.8%	529,217,000	68.0%	6.6%	111	238
90% - 100%	160,174,529	9.3%	291	4.9%	172,129,653	93.1%	202,158,000	81.1%	6.8%	89	265
100%+	60,059,608	3.5%	75	1.3%	43,194,000	150.5%	43,736,000	149.6%	8.3%	169	192
<b>Total</b>	<b>1,715,329,532</b>	<b>100.0%</b>	<b>5,931</b>	<b>100.0%</b>	<b>4,064,450,670</b>	<b>67.7%</b>	<b>5,901,361,000</b>	<b>55.5%</b>	<b>6.6%</b>	<b>144</b>	<b>199</b>
<b>Payment to income ratio</b>											
0% - 5%	332,352,915	19.4%	2,943	49.6%	1,662,515,413	51.2%	2,774,627,000	35.0%	6.1%	182	179
5% - 10%	670,952,124	39.1%	1,778	30.0%	1,303,424,727	65.9%	1,781,863,000	52.4%	6.4%	149	198
10% - 15%	448,457,224	26.1%	809	13.6%	706,603,575	74.0%	899,186,000	63.0%	6.8%	124	213
15% - 20%	189,496,455	11.0%	285	4.8%	291,396,993	76.5%	339,181,000	69.8%	6.9%	107	212
20% - 25%	45,910,362	2.7%	70	1.2%	63,937,084	83.2%	68,220,000	80.6%	7.3%	112	214
25% - 30%	11,515,985	0.7%	18	0.3%	16,524,000	115.1%	16,625,000	115.0%	8.6%	166	137
30%+	16,644,468	1.0%	28	0.5%	20,048,880	120.5%	21,659,000	118.2%	8.5%	201	136
<b>Total</b>	<b>1,715,329,532</b>	<b>100.0%</b>	<b>5,931</b>	<b>100.0%</b>	<b>4,064,450,670</b>	<b>67.7%</b>	<b>5,901,361,000</b>	<b>55.5%</b>	<b>6.6%</b>	<b>144</b>	<b>199</b>
<b>Weighted average</b>		<b>10.0%</b>									

**NQABA FINANCE 1 (RF) LIMITED**

**Portfolio stratification tables at determination date 30/04/2021**

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning Months	Weighted average term to maturity Months
	R	%	R	%	R	%	R	%	%	Months	Months
<b>Payment method</b>											
Payroll Deduction	1,529,014,009	89.1%	5,399	91.0%	3,711,684,024	65.1%	5,438,591,000	52.1%	6.4%	140	202
Other	186,315,523	10.9%	532	9.0%	352,766,647	88.6%	462,770,000	83.5%	8.1%	173	174
<b>Total</b>	<b>1,715,329,532</b>	<b>100.0%</b>	<b>5,931</b>	<b>100.0%</b>	<b>4,064,450,670</b>	<b>67.7%</b>	<b>5,901,361,000</b>	<b>55.5%</b>	<b>6.6%</b>	<b>144</b>	<b>199</b>
<b>Borrower employment status</b>											
Direct Eskom	1,478,503,069	86.2%	5,284	89.1%	3,619,768,449	64.9%	5,312,118,000	51.8%	6.4%	142	201
Other group co.	64,255,880	3.7%	193	3.3%	128,397,377	72.0%	172,811,000	62.4%	6.5%	112	227
Other	172,570,583	10.1%	454	7.7%	316,284,844	89.6%	416,432,000	84.7%	8.3%	173	175
<b>Total</b>	<b>1,715,329,532</b>	<b>100%</b>	<b>5,931</b>	<b>100%</b>	<b>4,064,450,670</b>	<b>67.7%</b>	<b>5,901,361,000</b>	<b>55.5%</b>	<b>6.6%</b>	<b>144</b>	<b>199</b>
<b>Loan balance (R'000)</b>											
0 - 100	60,834,573	3.5%	2,240	37.8%	1,123,429,045	20.6%	1,924,600,000	11.5%	6.7%	254	77
100 - 200	111,422,108	6.5%	758	12.8%	417,247,663	39.6%	668,014,000	24.5%	6.6%	211	131
200 - 300	166,995,942	9.7%	674	11.4%	382,948,442	55.0%	594,398,000	38.1%	6.6%	176	168
300 - 400	207,418,756	12.1%	594	10.0%	389,843,373	64.2%	529,060,000	47.7%	6.6%	157	191
400 - 500	212,306,032	12.4%	474	8.0%	347,861,828	70.1%	459,888,000	54.8%	6.7%	149	202
500 - 700	355,649,720	20.7%	604	10.2%	541,898,783	72.2%	682,516,000	59.6%	6.6%	130	217
700 - 1000	282,354,552	16.5%	345	5.8%	408,100,001	78.0%	495,962,000	69.1%	6.5%	116	224
1000 - 1500	236,654,412	13.8%	200	3.4%	338,675,025	77.9%	420,120,000	70.4%	6.3%	104	232
1500+	81,693,436	4.8%	42	0.7%	114,446,509	85.2%	126,803,000	80.1%	6.6%	128	198
<b>Total</b>	<b>1,715,329,532</b>	<b>100.0%</b>	<b>5,931</b>	<b>100.0%</b>	<b>4,064,450,670</b>	<b>67.7%</b>	<b>5,901,361,000</b>	<b>55.5%</b>	<b>6.6%</b>	<b>144</b>	<b>199</b>
<b>Average balance</b>	<b>289,214</b>										
<b>Interest rate</b>											
0% - 6%	568,448,026	33.1%	1,420	23.9%	1,464,316,174	61.8%	2,155,518,000	49.9%	5.6%	148	189
6% - 8%	1,084,782,732	63.2%	4,358	73.5%	2,517,672,248	67.5%	3,647,436,000	54.5%	6.8%	139	206
8% - 10%	62,036,401	3.6%	150	2.5%	80,897,248	126.0%	96,348,000	125.5%	10.0%	183	172
>10.0%	62,373	0.0%	3	0.1%	1,565,000	4.4%	2,059,000	3.3%	10.2%	240	24
<b>Total</b>	<b>1,715,329,532</b>	<b>100.0%</b>	<b>5,931</b>	<b>100.0%</b>	<b>4,064,450,670</b>	<b>67.7%</b>	<b>5,901,361,000</b>	<b>55.5%</b>	<b>6.6%</b>	<b>144</b>	<b>199</b>

**NQABA FINANCE 1 (RF) LIMITED**

**Portfolio stratification tables at determination date 30/04/2021**

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning Months	Weighted average term to maturity Months
	R	%	R	%	R	%	R	%	%		
<b>Seasoning</b>											
0 - 12 months	-	0.0%	-	0.0%	-	0.0%	-	0.0%	0.0%	-	-
12 - 24 months	22,130,132	1.3%	33	0.6%	41,180,000	68.6%	41,180,000	68.6%	6.3%	20	239
24 - 36 months	43,683,977	2.5%	63	1.1%	64,512,000	78.4%	64,512,000	78.4%	6.7%	32	279
36 - 48 months	62,141,990	3.6%	91	1.5%	105,988,000	78.3%	106,253,000	78.2%	6.5%	43	258
48 - 60 months	71,783,942	4.2%	97	1.6%	104,843,925	77.9%	105,457,000	77.5%	6.6%	55	270
60 - 120 months	503,371,559	29.3%	966	16.3%	846,434,637	74.2%	1,042,756,000	61.5%	6.4%	98	231
120+ months	1,012,217,933	59.0%	4,681	78.9%	2,901,492,108	62.6%	4,541,203,000	48.4%	6.6%	187	170
<b>Total</b>	<b>1,715,329,532</b>	<b>100.0%</b>	<b>5,931</b>	<b>100.0%</b>	<b>4,064,450,670</b>	<b>67.7%</b>	<b>5,901,361,000</b>	<b>55.5%</b>	<b>6.6%</b>	<b>144</b>	<b>199</b>
<b>Region</b>											
Eastern Cape	76,090,413	4.4%	274	4.6%	196,115,153	74.2%	271,695,000	61.5%	6.9%	162	183
Free State	74,261,669	4.3%	301	5.1%	174,121,508	67.6%	269,904,000	55.0%	6.5%	149	193
Gauteng	797,287,045	46.5%	2,157	36.4%	1,765,609,124	67.1%	2,525,453,000	56.0%	6.4%	135	205
Kwazulu Natal	94,149,187	5.5%	379	6.4%	238,685,120	66.9%	359,115,000	53.8%	6.8%	159	190
Limpopo Province	61,645,220	3.6%	263	4.4%	147,469,537	64.7%	221,551,000	50.8%	6.7%	151	194
Mpumalanga	320,399,102	18.7%	1,501	25.3%	799,885,524	66.9%	1,184,495,000	53.9%	6.6%	154	191
North West	32,949,839	1.9%	152	2.6%	62,609,433	71.6%	116,965,000	55.0%	6.9%	152	191
Northern Cape	20,203,469	1.2%	118	2.0%	57,352,893	68.7%	87,663,000	53.5%	6.9%	162	184
Western Cape	238,343,588	13.9%	786	13.3%	622,602,379	69.1%	864,520,000	56.6%	6.6%	141	205
<b>Total</b>	<b>1,715,329,532</b>	<b>100.0%</b>	<b>5,931</b>	<b>100.0%</b>	<b>4,064,450,670</b>	<b>67.7%</b>	<b>5,901,361,000</b>	<b>55.5%</b>	<b>6.6%</b>	<b>144</b>	<b>199</b>
<b>Property type</b>											
House (Freehold)	1,347,319,698	78.5%	4,904	82.7%	3,298,647,339	66.4%	4,809,742,000	54.2%	6.6%	150	193
Multi-unit (Sectional Title)	288,816,761	16.8%	819	13.8%	501,171,529	76.4%	724,961,000	63.9%	6.5%	115	232
House (Complex)	10,155,928	0.6%	20	0.3%	18,825,000	64.6%	26,903,000	52.3%	6.5%	144	204
Small Holding	3,163,712	0.2%	11	0.2%	10,240,000	40.3%	14,423,000	28.3%	6.7%	158	146
Other	65,873,434	3.8%	177	3.0%	235,566,803	58.2%	325,332,000	48.8%	6.3%	140	189
<b>Total</b>	<b>1,715,329,532</b>	<b>100.0%</b>	<b>5,931</b>	<b>100.0%</b>	<b>4,064,450,670</b>	<b>67.7%</b>	<b>5,901,361,000</b>	<b>55.5%</b>	<b>6.6%</b>	<b>144</b>	<b>199</b>

**NQABA FINANCE 1 (RF) LIMITED**

**Arrears analysis at determination date**

	30 April 2021			31 January 2021			31 January 2021			31 January 2021		
	Loan balances R	%	Number of loans %	WA interest rate %	Loan balances R	%	Number of loans %	WA interest rate %	Loan balances R	%	Number of loans %	WA interest rate %
<b>Fully performing</b>												
Current	1,588,795,594	92.6%	5,524	93.1%	6.4%	1,646,047,249	92.7%	5,692	92.9%	6.4%		
<b>Non-delinquent</b>												
0 - 1 months	16,754,370	1.0%	42	0.7%	7.6%	16,720,005	0.9%	58	0.9%	7.6%		
1 - 2 months	5,220,035	0.3%	24	0.4%	8.0%	6,994,972	0.4%	33	0.5%	8.0%		
2 - 3 months	3,433,198	0.2%	15	0.3%	7.3%	4,428,761	0.2%	22	0.4%	7.7%		
Total	25,407,602	1.5%	81	1.4%	7.7%	28,143,738	1.6%	113	1.8%	7.7%		
<b>Deteriorated</b>												
3 - 4 months	857,609	0.0%	6	0.1%	7.7%	1,112,074	0.1%	11	0.2%	7.8%		
4 - 5 months	1,650,881	0.1%	9	0.2%	5.9%	1,824,900	0.1%	8	0.1%	7.6%		
5 - 6 months	65,109	0.0%	12	0.2%	6.7%	157,005	0.0%	3	0.0%	6.8%		
6 - 12 months	1,812,464	0.1%	63	1.1%	8.7%	4,685,127	0.3%	77	1.3%	8.5%		
>12 months	5,347,039	0.3%	37	0.6%	6.5%	6,643,276	0.4%	34	0.6%	6.5%		
Total	9,733,102	0.6%	127	2.1%	6.9%	14,422,381	0.8%	133	2.2%	7.4%		
<b>Defaulted</b>												
Litigation	37,961,377	2.2%	60	1.0%	9.3%	34,773,038	2.0%	56	0.9%	9.4%		
<b>Other categories</b>												
Debt review	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%		
Arrangement	49,169,155	2.9%	130	2.2%	8.9%	49,172,856	2.8%	124	2.0%	9.0%		
Third party attachment	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%		
Properties sold	2,671,125	0.2%	6	0.1%	0.0%	1,872,275	0.1%	5	0.1%	5.8%		
Properties in possession	1,591,578	0.1%	3	0.1%	0.0%	1,591,578	0.1%	3	0.0%	0.0%		
Total	53,431,858	3.1%	139	2.3%	8.2%	52,636,708	3.0%	132	2.2%	8.6%		
<b>Total</b>	<b>1,715,329,532</b>	<b>100.0%</b>	<b>5,931</b>	<b>100.0%</b>	<b>6.6%</b>	<b>1,776,023,115</b>	<b>100.0%</b>	<b>6,126</b>	<b>100.0%</b>	<b>6.6%</b>		

**Movement in properties classified as Litigations**

	30/04/2021		31/01/2021	
	No of loans	R	No of loans	R
Opening balance	56	34,773,038	45	34,862,748
Loans exit litigation	-13	(6,189,958)	-5	(8,180,523)
Loans enter litigation	17	9,034,473	16	7,073,647
Repayments		(818,590)		(1,902)
Advance		200,050		129,455
Interest		868,538		806,647
Loan losses		-		-
Valuation fees		10,925		7,648
Capitalised insurance		82,901		75,318
Closing balance	60	37,961,377	56	34,773,038

**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:

	30/04/2021		31/01/2021	
	R		R	
Impairments applied to loan book excluding possessions	10,667,222		11,587,723	
Impairments applied to possessions	257,779		248,638	
Total impairments	10,925,001		11,836,360	



**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%;

		30/04/2021 R	31/01/2021 R
Aggregate principal balances on home loans as above	A	1,715,329,532	1,776,023,115
Balances which are in arrears for more than 3 months	B	9,733,102	14,422,381
Balances for which the Issuer has instituted legal proceedings	C	37,961,377	34,773,038
Total arrears for calculation purposes	D = B + C	47,694,478	49,195,419
Arrears %	E = D / A	2.78%	2.77%
Arrears reserve trigger level percentage		2.00%	2.00%
Arrears reserve trigger level value		34,306,591	35,520,462
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		44,561,938	45,202,077
Latest valuation of the related properties		89,793,975	97,468,575
Balances which are in arrears for more than 3 months	B	9,733,102	14,422,381
60% of the lower of the original valuation and latest valuation	F	26,737,163	27,121,246
Test difference between arrears and conservative value of related properties	G = B - F	(17,004,061)	(12,698,865)
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**

		30/04/2021 R	31/03/2021 R	28/02/2021 R
Loan book balance		1,715,329,532	1,776,023,115	
Trigger per cent		2.50%	2.50%	
Trigger value	I	42,883,238	44,400,578	
Total arrears as defined above	D	47,694,478	49,195,419	
Headroom (deficit)		(4,811,240)	(4,794,841)	
Early amortisation arrears trigger event (D > I)		Yes	Yes	

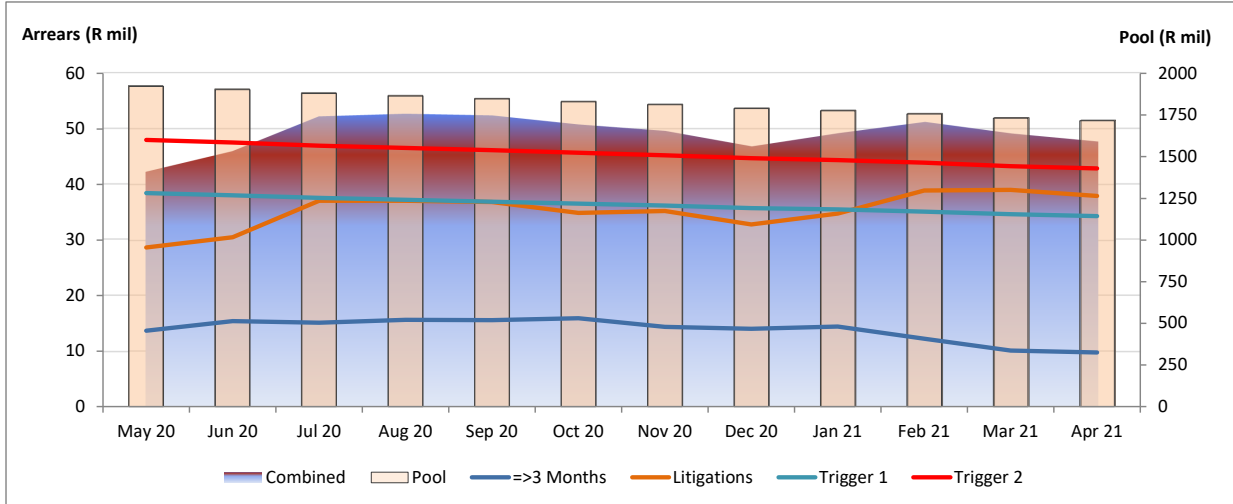
Trends

Arrears analysis (values in R million)

End of:	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21
<b>Pool</b>	<b>1922</b>	<b>1902</b>	<b>1880</b>	<b>1864</b>	<b>1846</b>	<b>1829</b>	<b>1811</b>	<b>1789</b>	<b>1776</b>	<b>1756</b>	<b>1732</b>	<b>1715</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>38.43</b>	<b>38.05</b>	<b>37.60</b>	<b>37.27</b>	<b>36.92</b>	<b>36.57</b>	<b>36.23</b>	<b>35.77</b>	<b>35.52</b>	<b>35.13</b>	<b>34.64</b>	<b>34.31</b>
=>3 Months	13.64	15.40	15.11	15.61	15.55	15.89	14.34	13.99	14.42	12.25	10.11	9.73
Litigations	28.62	30.53	37.09	37.05	36.82	34.86	35.23	32.80	34.77	38.94	39.02	37.96
<b>Combined</b>	<b>42.26</b>	<b>45.93</b>	<b>52.20</b>	<b>52.65</b>	<b>52.38</b>	<b>50.76</b>	<b>49.57</b>	<b>46.80</b>	<b>49.20</b>	<b>51.19</b>	<b>49.12</b>	<b>47.69</b>
Trigger 1 diff	-3.83	-7.88	-14.60	-15.38	-15.45	-14.18	-13.34	-11.02	-13.67	-16.06	-14.48	-13.39
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>48.04</b>	<b>47.56</b>	<b>47.00</b>	<b>46.59</b>	<b>46.15</b>	<b>45.72</b>	<b>45.28</b>	<b>44.72</b>	<b>44.40</b>	<b>43.91</b>	<b>43.31</b>	<b>42.88</b>
Trigger 2 diff	5.78	1.63	-5.19	-6.07	-6.22	-5.04	-4.29	-2.08	-4.79	-7.28	-5.82	<b>-4.81</b>

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 to November 2019; thereafter, 2.5% of Pool) = If breached by combined arrears, early amortisation is required (from July 2020)

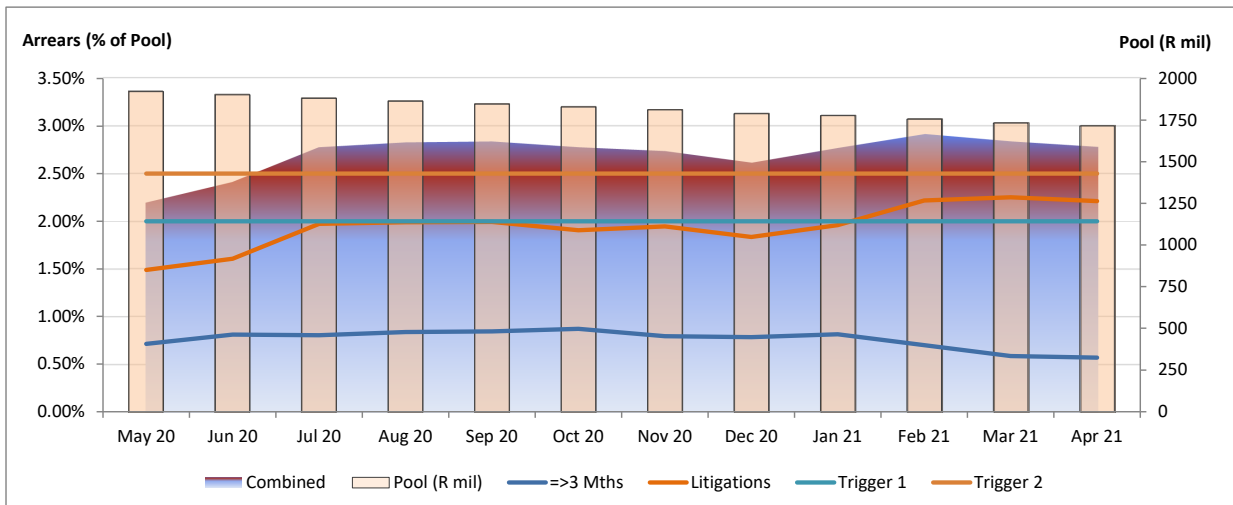


Arrears analysis (percentages)

End of:	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21
<b>Pool (R mil)</b>	<b>1922</b>	<b>1902</b>	<b>1880</b>	<b>1864</b>	<b>1846</b>	<b>1829</b>	<b>1811</b>	<b>1789</b>	<b>1776</b>	<b>1756</b>	<b>1732</b>	<b>1715</b>
=>3 Mths	0.71%	0.81%	0.80%	0.84%	0.84%	0.87%	0.79%	0.78%	0.81%	0.70%	0.58%	0.57%
Litigations	1.49%	1.60%	1.97%	1.99%	1.99%	1.91%	1.95%	1.83%	1.96%	2.22%	2.25%	2.21%
<b>Combined</b>	<b>2.20%</b>	<b>2.41%</b>	<b>2.78%</b>	<b>2.83%</b>	<b>2.84%</b>	<b>2.78%</b>	<b>2.74%</b>	<b>2.62%</b>	<b>2.77%</b>	<b>2.91%</b>	<b>2.84%</b>	<b>2.78%</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 2	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Trigger 1 (combined arrears) = If breached, an arrears reserve is required until arrears decrease to 1.5%

Trigger 2 (2.5% of Notes to November 2019; thereafter, 2.5% of Pool) = If breached by combined arrears, early amortisation is required (from July 2020)

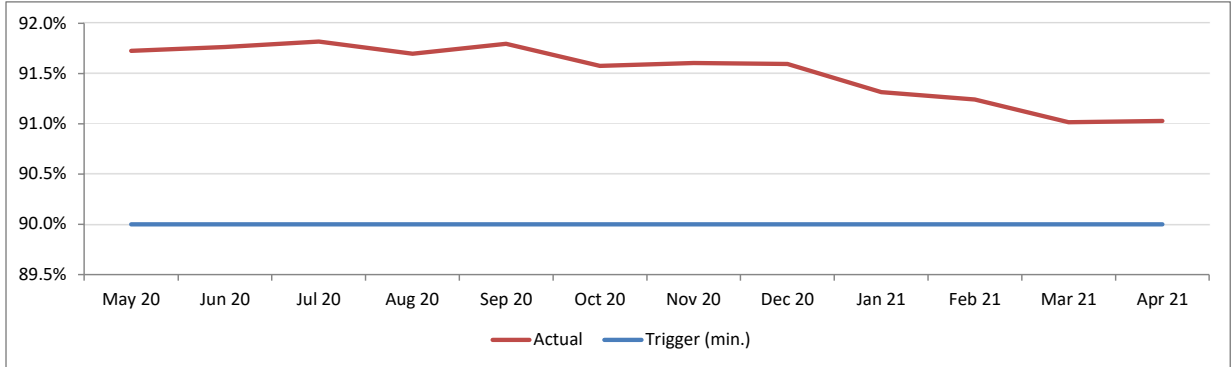


Trends

Payroll Deduction Percentage (number of borrowers)

End of:	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21
<b>Actual</b>	<b>91.7%</b>	<b>91.8%</b>	<b>91.8%</b>	<b>91.7%</b>	<b>91.8%</b>	<b>91.6%</b>	<b>91.6%</b>	<b>91.6%</b>	<b>91.3%</b>	<b>91.2%</b>	<b>91.0%</b>	<b>91.0%</b>
<b>Trigger (min.)</b>	<b>90.0%</b>	<b>90.0%</b>	<b>90.0%</b>	<b>90.0%</b>	<b>90.0%</b>	<b>90.0%</b>	<b>90.0%</b>	<b>90.0%</b>	<b>90.0%</b>	<b>90.0%</b>	<b>90.0%</b>	<b>90.0%</b>

Trigger = If breached, purchase of additional home loans prohibited

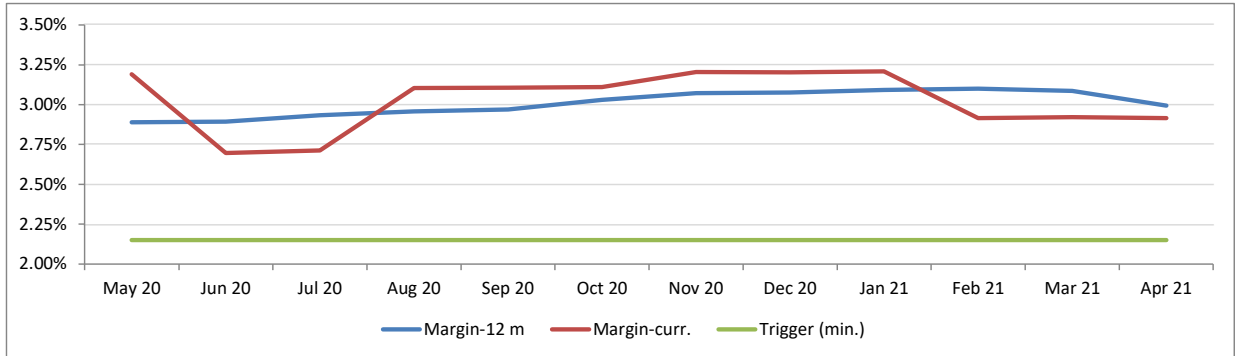


Interest rate margin

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.

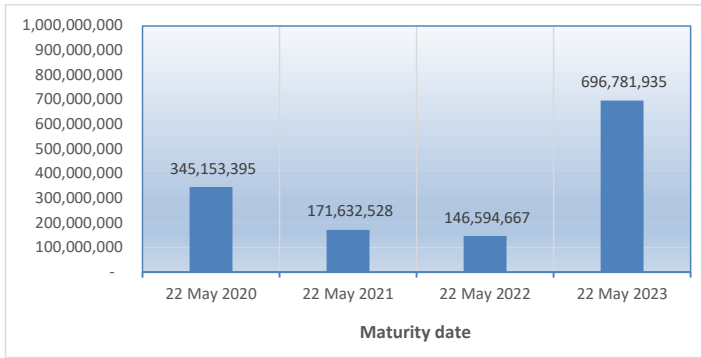
End of:	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21
<b>12 months rolling average:</b>												
HL-12 m	9.28%	9.03%	8.78%	8.53%	8.29%	8.04%	7.79%	7.55%	7.30%	7.08%	6.85%	6.65%
Jibar-12 m	6.39%	6.13%	5.85%	5.58%	5.32%	5.01%	4.72%	4.47%	4.21%	3.98%	3.77%	3.66%
<b>Margin-12 m</b>	<b>2.89%</b>	<b>2.89%</b>	<b>2.93%</b>	<b>2.96%</b>	<b>2.97%</b>	<b>3.03%</b>	<b>3.07%</b>	<b>3.08%</b>	<b>3.09%</b>	<b>3.10%</b>	<b>3.09%</b>	<b>2.99%</b>
<b>Current month:</b>												
HL-current	7.27%	6.78%	6.80%	6.55%	6.55%	6.55%	6.55%	6.55%	6.56%	6.56%	6.56%	6.56%
Jibar-curr.	4.08%	4.08%	4.08%	3.44%	3.44%	3.44%	3.35%	3.35%	3.35%	3.64%	3.64%	3.64%
<b>Margin-curr.</b>	<b>3.19%</b>	<b>2.70%</b>	<b>2.71%</b>	<b>3.10%</b>	<b>3.11%</b>	<b>3.11%</b>	<b>3.20%</b>	<b>3.20%</b>	<b>3.21%</b>	<b>2.92%</b>	<b>2.92%</b>	<b>2.92%</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



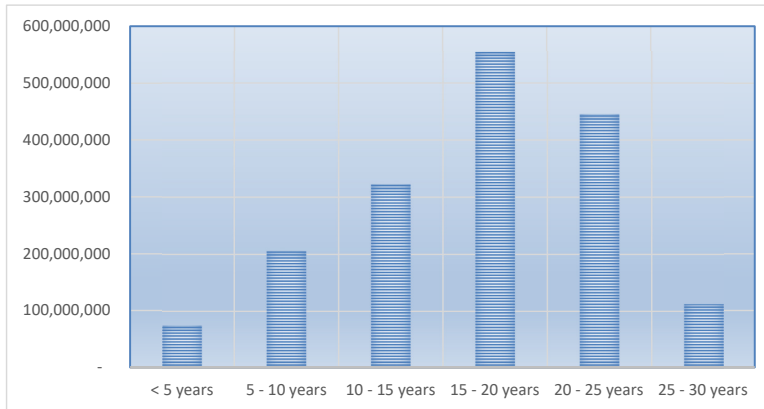
Trends

Notes maturity analysis



Maturity date	Current value
22 May 2020	345,153,395
22 May 2021	171,632,528
22 May 2022	146,594,667
22 May 2023	696,781,935
Total	R 1,360,162,525

Asset pool maturity analysis



Loan maturity	Current balance
< 5 years	75,125,640
5 - 10 years	205,457,778
10 - 15 years	322,271,280
15 - 20 years	554,535,618
20 - 25 years	445,511,303
25 - 30 years	112,427,913
Total	R 1,715,329,532

**NQABA FINANCE 1 (RF) LIMITED**

**Cumulative Note details to Interest payment date 24/05/2021**

Class number	JSE stock code	ISIN	Issue date	Scheduled maturity and step-up date <i>Matured notes</i>	Legal final maturity date	Tranche balance at transaction close R	Subsequent tranches issued R	Redemptions R	Tranche balance at end of period R	Note factor %	Original rating at issue date	Current rating (03/12/2020)	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		-	-	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		(30,805,551)	84,194,449	73.2%	AAA(zaf)	Ba2(sf) / Aaa.za(sf)	(1.01)	(0.06)	
A11	NQ1A11	ZAG000085853	23/05/2011	22/05/2016	22/05/2048	205,000,000		(205,000,000)	-	-	AAA(zaf)				
A12	NQ1A12	ZAG000085879	23/05/2011	22/05/2014	22/05/2046	318,000,000		(318,000,000)	-	-	AAA(zaf)				
A13	NQ1A13	ZAG000085887	23/05/2011	22/05/2012	22/05/2044	273,000,000		(273,000,000)	-	-	AAA(zaf)				
A14	NQ1A14	ZAG000090648	22/11/2011	22/05/2013	22/05/2045	375,000,000		(375,000,000)	-	-	AAA(zaf)				
A15	NQ1A15	ZAG000095258	22/05/2012	22/05/2015	22/05/2047	303,000,000		(303,000,000)	-	-	AAA(zaf)				
A16	NQ1A16	ZAG000105933	22/05/2013	22/05/2016	22/05/2048	200,000,000		(200,000,000)	-	-	AAA(zaf)				
A18	NQ1A18	ZAG000115569	22/05/2014	22/05/2017	22/05/2049	318,000,000		(318,000,000)	-	-	AAA(zaf)				
A19	NQ1A19	ZAG000126509	22/05/2015	22/05/2018	22/05/2050	303,000,000		(303,000,000)	-	-	AAA(zaf)				
A21	NQ1A21	ZAG000136664	23/05/2016	22/05/2019	22/05/2051	210,000,000		(210,000,000)	-	-	AAA(zaf)				
A22	NQ1A22	ZAG000136722	22/05/2015	22/05/2017	22/05/2049	195,000,000		(195,000,000)	-	-	AAA(zaf)				
A23	NQ1A23	ZAG000143983	22/05/2017	22/05/2018	22/05/2050	5,000,000		(5,000,000)	-	-	AAA(zaf)				
A24	NQ1A24	ZAG000143991	22/05/2017	22/05/2020	22/05/2052	310,000,000		(83,041,054)	226,958,946	73.2%	Aaa.za(sf)	Ba2(sf) / Aaa.za(sf)	(1.01)	(0.17)	
A25	NQ1A25	ZAG000144007	22/05/2017	22/05/2022	22/05/2054	150,000,000		(27,405,333)	122,594,667	81.7%	Aaa.za(sf)	Ba2(sf) / Aaa.za(sf)	0.99	0.09	
A26	NQ1A26	ZAG000144155	22/05/2017	22/05/2018	22/05/2050	48,000,000		(48,000,000)	-	-	AAA(zaf)				
A27	NQ1A27	ZAG000151531	22/05/2018	22/05/2023	22/05/2055	658,000,000		(120,218,065)	537,781,935	81.7%	Aaa.za(sf)	Ba2(sf) / Aaa.za(sf)	1.99	0.79	
A28	NQ1A28	ZAG000159583	22/05/2019	22/05/2021	22/05/2053	210,000,000		(38,367,472)	171,632,528	81.7%	Aaa.za(sf)	Ba2(sf) / Aaa.za(sf)	(0.01)	(0.00)	
<b>Totals Class A</b>						<b>1,392,000,000</b>	<b>5,828,000,000</b>	<b>(6,076,837,475)</b>	<b>1,143,162,525</b>						
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		-	-	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	100.0%	AA(zaf)	Ba3(sf) / Aa3.za(sf)	(1.01)	(0.01)	
B11	NQ1B11	ZAG000085861	23/05/2011	22/05/2014	22/05/2046	32,000,000		(32,000,000)	-	-	AA(zaf)				
B12	NQ1B12	ZAG000085895	23/05/2011	22/05/2012	22/05/2044	8,000,000		(8,000,000)	-	-	AA(zaf)				
B13	NQ1B13	ZAG000090655	22/11/2011	22/05/2013	22/05/2045	10,000,000		(10,000,000)	-	-	AA(zaf)				
B14	NQ1B14	ZAG000095266	22/05/2012	22/05/2015	22/05/2047	8,000,000		(8,000,000)	-	-	AA(zaf)				
B15	NQ1B15	ZAG000105966	22/05/2013	22/05/2018	22/05/2050	40,000,000		(40,000,000)	-	-	AA(zaf)				
B16	NQ1B16	ZAG000115577	22/05/2014	22/05/2017	22/05/2049	32,000,000		(32,000,000)	-	-	AA(zaf)				
B17	NQ1B17	ZAG000126467	22/05/2015	22/05/2020	22/05/2052	8,000,000		-	8,000,000	100.0%	AA(zaf)	Ba3(sf) / Aa3.za(sf)	(1.01)	(0.01)	
B19	NQ1B19	Private placement	22/05/2017	22/05/2018	22/05/2050	32,000,000		(32,000,000)	-	-	AAA(zaf)				
B20	NQ1B20	ZAG000151549	22/05/2018	22/05/2023	22/05/2055	159,000,000		-	159,000,000	100.0%	Aaa.za(sf)	Ba3(sf) / Aa3.za(sf)	1.99	0.23	
B21	NQ1B21	ZAG000159591	22/05/2019	22/05/2022	22/05/2054	24,000,000		-	24,000,000	100.0%	Aa2.za(sf)	Ba3(sf) / Aa3.za(sf)	0.99	0.02	
<b>Totals Class B</b>						<b>64,000,000</b>	<b>458,000,000</b>	<b>(320,000,000)</b>	<b>202,000,000</b>						
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		-	-	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	100.0%	A(zaf)	Ba3(sf) / A1.za(sf)	(1.01)	(0.00)	
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)				
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	22/05/2020	22/05/2052	5,000,000		-	5,000,000	100.0%	A+(zaf)	Ba3(sf) / A1.za(sf)	(1.01)	(0.00)	
C19	NQ1C19	Private placement	22/05/2017	22/05/2018	22/05/2050	32,000,000		(32,000,000)	-	-	AAA(zaf)				
<b>Totals Class C</b>						<b>64,000,000</b>	<b>230,000,000</b>	<b>(284,000,000)</b>	<b>10,000,000</b>						
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	100.0%	BBB(zaf)	B1(sf) / A2.za(sf)	(1.01)	(0.00)	
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)				
D8	NQF1D8	ZAG000136656	23/05/2016	22/05/2019	22/05/2051	24,000,000		(24,000,000)	-	-	A-(zaf)				
<b>Totals Class D</b>						<b>48,000,000</b>	<b>124,000,000</b>	<b>(167,000,000)</b>	<b>5,000,000</b>						
<b>Totals all Notes</b>						<b>1,568,000,000</b>	<b>6,640,000,000</b>	<b>(6,847,837,475)</b>	<b>1,360,162,525</b>					<b>0.87</b>	

**NQABA FINANCE 1 (RF) LIMITED**

**Note interest calculations for current interest payment date 24/05/2021**

Class number	JSE stock code	Balance start of period R	Interest reset date	Interest payment date	Number of days	3 month Jibar	Margin	Total note coupon	Interest accrued and paid R	Principal distributed R	Balance end of period R	Step up call date	Step up margin
A10	NQ1A10	89,047,265	22/02/2021	24/05/2021	91	3.642%	2.000%	5.642%	1,252,571	(4,852,816)	84,194,449	31/07/2020	2.000%
A24	NQ1A24	240,040,451	22/02/2021	24/05/2021	91	3.642%	2.240%	5.882%	3,520,124	(13,081,505)	226,958,946	22/05/2020	2.240%
A25	NQ1A25	129,660,802	22/02/2021	24/05/2021	91	3.642%	1.840%	5.482%	1,772,133	(7,066,135)	122,594,667	22/05/2022	2.576%
A27	NQ1A27	568,778,717	22/02/2021	24/05/2021	91	3.642%	1.850%	5.492%	7,787,936	(30,996,782)	537,781,935	22/05/2023	2.590%
A28	NQ1A28	181,525,120	22/02/2021	24/05/2021	91	3.642%	1.500%	5.142%	2,327,112	(9,892,592)	171,632,528	22/05/2021	2.100%
<b>Totals Class A</b>		<b>1,209,052,355</b>						Weighted average: <b>5.527%</b>	<b>16,659,876</b>	<b>(65,889,830)</b>	<b>1,143,162,525</b>		
B10	NQ1B10	11,000,000	22/02/2021	24/05/2021	91	3.642%	2.200%	5.842%	160,215	-	11,000,000	31/07/2020	2.200%
B17	NQ1B17	8,000,000	22/02/2021	24/05/2021	91	3.642%	2.548%	6.190%	123,461	-	8,000,000	22/05/2020	2.548%
B20	NQ1B20	159,000,000	22/02/2021	24/05/2021	91	3.642%	2.250%	5.892%	2,335,653	-	159,000,000	22/05/2023	3.150%
B21	NQ1B21	24,000,000	22/02/2021	24/05/2021	91	3.642%	2.000%	5.642%	337,593	-	24,000,000	22/05/2022	2.800%
<b>Totals Class B</b>		<b>202,000,000</b>						Weighted average: <b>5.871%</b>	<b>2,956,922</b>	<b>-</b>	<b>202,000,000</b>		
C10	NQ1C10	5,000,000	22/02/2021	24/05/2021	91	3.642%	2.400%	6.042%	75,318	-	5,000,000	31/07/2020	2.400%
C17	NQ1C17	5,000,000	22/02/2021	24/05/2021	91	3.642%	3.150%	6.792%	84,667	-	5,000,000	22/05/2020	3.150%
<b>Totals Class C</b>		<b>10,000,000</b>						Weighted average: <b>6.417%</b>	<b>159,985</b>	<b>-</b>	<b>10,000,000</b>		
D5	NQ1D5	5,000,000	22/02/2021	24/05/2021	91	3.642%	1.150%	4.792%	59,736	-	5,000,000	22/05/2020	1.150%
<b>Totals Class D</b>		<b>5,000,000</b>						Weighted average: <b>4.792%</b>	<b>59,736</b>	<b>-</b>	<b>5,000,000</b>		
<b>Totals All Notes</b>		<b>1,426,052,355</b>						Weighted average: <b>5.579%</b>	<b>19,836,519</b>	<b>(65,889,830)</b>	<b>1,360,162,525</b>		
<b>Subordinated loan</b>		290,000,000	22/02/2021	24/05/2021	91	3.642%	3.000%	6.642%	-	-	290,000,000		
<b>Total funding</b>		<b>1,716,052,355</b>						Weighted average interest rate all funding: <b>5.759%</b>	<b>19,836,519</b>	<b>(65,889,830)</b>	<b>1,650,162,525</b>		

<b>Credit enhancement limit</b>	<b>20.3%</b>	<b>of notes outstanding</b>	<b>Step-up rates have been applied to Matured Notes.</b>
<b>Current value of credit enhancement</b>	<b>20.3%</b>	<b>of notes outstanding</b>	
<b>Credit enhancement committed and not drawn</b>	<b>0%</b>		

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

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

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

Liquidity facility	24/05/2021	22/02/2021	Redraw facility	24/05/2021	22/02/2021
	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	135,000,000	170,000,000
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	31,360,000	31,360,000	Available facility at end of period	135,000,000	170,000,000
The facility was renewed with effect from 22/02/2021. It has never been used. The fee charge is 0.45% of the facility limit.			The facility was renewed with effect from 22/02/2021 at a lower limit. It has never been used. The fee charge is 0.45% of the facility limit.		

**Early amortisation events (summary)**

	24/05/2021	22/02/2021
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	No
Any Servicer event of default	No	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 exceeds 2.5% of the aggregate principal balances of the Home Loans	Page 8	<b>Yes</b>
The Issuer does not achieve the required interest margin	Page 3	No
A Principal deficiency exists on any payment date	Page 14	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 12	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 12	No

## NQABA FINANCE 1 (RF) LIMITED

### Principal deficiency ledger at Interest payment date

	24/05/2021 R	22/02/2021 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	1,426,052,355	1,488,257,866
Less: Amount allocated for the redemption of notes	(65,889,830)	(62,205,511)
- Class A	(65,889,830)	(62,205,511)
- 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>1,360,162,525</b>	<b>1,426,052,355</b>
<b>Assets</b>		
Aggregate principal balances of home loans on the last day of the immediately preceding Collection Period	1,715,329,532	1,776,023,115
Plus: Home loans transferred on the next day from funds previously allocated	-	-
Total principal balances at start of current period	1,715,329,532	1,776,023,115
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>1,715,329,532</b>	<b>1,776,023,115</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:	
	30/04/2021	31/01/2021
	R	R
Profit before tax per income statement	2,187,513	2,663,263
Add back:		
Fair value adjustments	-	-
Funds from operations	<u>2,187,513</u>	<u>2,663,263</u>
Taxation paid	-	-
(Decrease) in Notes and sub-loan including accrued interest	(57,797,649)	(55,695,005)
Decrease in portfolio assets including accrued interest	59,782,218	52,597,577
(Increase) in arrears reserve funded	-	-
Decrease in amounts due by EFC and accounts receivable	1,576,252	2,536,192
Increase (decrease) in amounts due to EFC and accounts payable	1,024,153	(1,293,633)
Increase in funds	<u>6,772,487</u>	<u>808,393</u>
Funds available at beginning of the period	<u>69,557,782</u>	<u>68,749,388</u>
Funds available at end of the period to Priority of Payments	<u><u>76,330,268</u></u>	<u><u>69,557,782</u></u>

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

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

	24/05/2021	22/02/2021
	R	R
Cash at bank as above	76,330,268	69,557,782
Add: Commingling amounts subsequently received from EFC	18,179,168	19,755,426
Less: commingling amounts payable to EFC	(5,404,141)	(4,445,251)
<b>Available cash</b>	<u><b>89,105,295</b></u>	<u><b>84,867,957</b></u>
<b>Payments</b>		
1 South African Revenue Services	-	-
2 Security SPV trust, owner trust and third party payments	(3,164,307)	(2,788,638)
3 Derivative counterparty settlement received (paid)	-	-
4 Liquidity facility provider - fees	(40,461)	(41,848)
5 Redraw facility provider - fees	(174,178)	(221,745)
6 Class A to D Note holders:		
Interest on Class A notes	(16,659,876)	(16,591,548)
Surplus / (Deficit)	<u>69,066,473</u>	<u>65,224,178</u>
Interest on Class B notes	<u>(2,956,922)</u>	<u>(2,809,866)</u>
Interest payable	(2,956,922)	(2,809,866)
Less: Class B interest deferred	-	-
Interest on Class C notes	<u>(159,985)</u>	<u>(152,705)</u>
Interest payable	(159,985)	(152,705)
Less: Class C interest deferred	-	-
Interest on Class D notes	<u>(59,736)</u>	<u>(56,096)</u>
Interest payable	(59,736)	(56,096)
Less: Class D interest deferred	-	-
Surplus / (Deficit)	<u>65,889,830</u>	<u>62,205,511</u>
7 Redraw facility provider	-	-
8 Class A to D Note holders principal repayments	<u>(65,889,830)</u>	<u>(62,205,511)</u>
	<u>-</u>	<u>-</u>



**NQABA FINANCE 1 (RF) LIMITED**

	Year ended 31/03/2021	1 month 30/04/2021
<b>Statement of Comprehensive Income</b>	<b>R</b>	<b>R</b>
<i>NB: These figures are derived from the unaudited management accounts and are subject to change.</i>		
Financing income	124,253,905	106,123,086
Financing cost	113,608,697	97,712,829
<b>Financing margin</b>	<b>10,645,208</b>	<b>8,410,258</b>
Loan losses	(711,161)	535,033
Loan losses written off	585,773	582,473
Impairment provisions	(1,296,934)	(47,441)
Loan Losses recovered	43,474	3,300
Interest received from bank	1,681,259	1,512,084
Interest (paid) / received from SARS	-	-
Interest swap	4,399	4,399
Fair value adjustments	(561,894)	(561,894)
Settlements received (paid)	566,293	566,293
<b>Operating profit</b>	<b>13,085,501</b>	<b>9,395,008</b>
Operating expenditure	(7,576,227)	(6,353,320)
Bank Charges	14,211	12,205
Management fees	608,026	509,860
Servicer fees	3,381,100	2,891,819
Liquidity fees	165,307	134,299
Redraw Facility fees	876,757	722,232
Back-up Servicer fees	196,006	167,642
Audit fees	624,190	524,879
JSE fees	178,913	150,753
Directors' and owner trust fees	493,452	403,129
Rating fees (Annual)	428,060	355,392
Rating fees (Subsequent)	42,758	(40,500)
Safe Custody and Settlement Agent fees	-	-
National Credit Regulator fees	97,753	81,460
Credit Ombudsman	87,015	72,512
Strate fees	85,094	70,051
Bond issue fees	-	-
Legal Fees	297,586	297,586
<b>Net profit before tax</b>	<b>5,509,274</b>	<b>3,041,688</b>
Taxation - normal tax	-	-
Taxation - deferred tax	(1,542,597)	(851,673)
Tax Penalties	-	-
<b>Net profit after tax</b>	<b>3,966,677</b>	<b>2,190,016</b>
Dividends	-	-
<b>Net profit after distribution</b>	<b>3,966,677</b>	<b>2,190,016</b>
Retained income at beginning of the period	35,429,708	35,429,708
<b>Retained income at end of the period</b>	<b>39,396,385</b>	<b>37,619,724</b>

	31/03/2021	30/04/2021
<b>Statement of Financial Position</b>	<b>R</b>	<b>R</b>

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

<b>Assets</b>		
<b>Non-Current Assets</b>	1,618,477,641	1,677,028,969
Home loan advances	1,613,879,033	1,671,544,037
Properties in possession	1,333,799	1,342,940
Deferred tax	3,264,809	4,141,992
<b>Current Assets</b>	184,646,434	180,612,990
Home loan advances	89,191,703	91,299,775
Amounts due by EFC	18,179,168	19,755,426
Cash and cash equivalents	76,330,268	69,557,782
SA Revenue Services	945,289	7
<b>Total assets</b>	<b>1,803,124,074</b>	<b>1,857,641,958</b>
<b>Equity and liabilities</b>		
<b>Capital and reserves</b>	39,875,437	37,619,825
Share capital	101	101
Distributable reserves	39,875,336	37,619,724
<b>Non-current liabilities</b>	1,487,985,716	1,540,953,929
Interest-bearing debt	1,197,985,716	1,250,953,929
Subordinated loan	290,000,000	290,000,000
<b>Current Liabilities</b>	275,262,922	279,068,205
Interest-bearing debt	242,670,685	252,145,618
Subordinated loan	24,745,834	20,100,337
Trade and other payables	2,442,262	2,376,999
Amounts due to EFC	5,404,141	4,445,251
SA Revenue Services	-	-
<b>Total equity and liabilities</b>	<b>1,803,124,074</b>	<b>1,857,641,958</b>

	Quarter ended: 24/05/2021	22/02/2021
<b>Excess spread</b>	<b>R</b>	<b>R</b>
<b>Average loan pool balance</b>	1,745,004,651	1,801,150,571
Interest received to determination date	27,765,607	6.53%
Expenses per Priority of Payments (POP)	(3,378,946)	-0.78%
	24,386,661	5.75%
Note coupon less swap per POP	(19,836,519)	-4.56%
Excess spread before subordinated loan interest	4,550,142	1.19%
Subordinated loan interest per POP	-	0.00%
<b>Excess spread</b>	<b>4,550,142</b>	<b>1.48%</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>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 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
<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 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
<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