

NQABA FINANCE 1 (RF) LIMITED

INVESTOR REPORT 23 MAY 2023 TO 22 AUGUST 2023

COVID 19 AND MARKET DISRUPTION NOTICE

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

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

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

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

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

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

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Investor Report
for the period ending 22 August 2023

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

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NQABA FINANCE 1 (RF) LIMITED

Counterparties and salient information

Issuer	Nqaba Finance 1 (RF) Ltd (Nqaba)	Financial year end: 31 March		
Issuer Owner Trust	Nqaba Finance 1 Owner Trust (Trustee: Stonehage Fleming Corporate Services (Pty) Ltd)			
Security SPV	Nqaba Finance 1 Security SPV (RF) (Pty) Ltd			
Security SPV Owner Trust	Nqaba Finance 1 Security SPV Owner Trust (Trustee: Maitland Group South Africa Ltd)			
Programme manager	Absa Corporate and Investment Bank (Absa CIB) (a division of Absa Bank Ltd (Absa)) ¹			
Back-up servicer	Absa Home Loans (a division of Absa)			
Rating agency (Notes)	GCR Ratings from April 2022	Moody's ratings		
Originator and Seller	Eskom Finance Company SOC Limited (EFC) ²	Required	Current	Breach
Borrowers' employer	Eskom Holdings SOC Limited (Eskom) long term corporate family rating	Caa1	Caa1	No
Liquidity and redraw facility provider	Absa CIB	A1.za/P-2.za	Aa1.za	No
Account bank	Absa	A1.za/P-2.za	Aa1.za	No
Guaranteed Investment Contract (GIC) provider	Absa CIB	A1.za/P-2.za	Aa1.za	No
Swap provider (Derivative counterparty)	Absa CIB (all swaps terminated 22/05/2020)	A1.za/P-2.za	Aa1.za	No

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

² EFC is also the Servicer and Subordinated Lender

Currency	South African Rand (ZAR or R)
Transaction type	Traditional Securitisation (originally Revolving; Early Amortisation from 31 July 2020)
Transaction close date	Wednesday, 31 May 2006
Programme size	R5 000 000 000
Outstanding Notes	R 922 511 280
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 May 2023 to 21 August 2023 (92 days inclusive)
Current interest payment date	Tuesday, 22 August 2023
Next interest payment date	Wednesday, 22 November 2023
Asset class	Residential Mortgage Backed Securities in an evergreen revolving structure. Scheme moved to early amortisation from 31 July 2020.
Repayment type	Fully amortising equal monthly interest and principal payments
Current collection period	01 May 2023 to 31 July 2023 (92 days)
Current determination date	Monday, 31 July 2023

Transaction overview

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

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

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

NQABA FINANCE 1 (RF) LIMITED

Collateral portfolio characteristics

	Current period		Previous period		Transaction close	
	01/05/2023 to 31/07/2023		01/02/2023 to 30/04/2023		31/05/2006	
Collection period:	R	Loans	R	Loans	R	Loans
Balance brought forward	1 376 122 480	4 774	1 410 208 083	4 935	-	-
Instalments received	(51 971 572)		(51 404 129)			
Interest charged	37 712 306		35 214 052			
Insurance charged	5 858 938		2 788 412			
Valuation fees	87 101		73 657			
Principal repaid	(8 313 228)		(13 328 009)			
Unscheduled repayments (prepayments)	(35 444 794)	(165)	(38 563 983)	(161)		
Total Principal collections	(43 758 022)		(51 891 991)		-	-
New loans purchased	-	-	-	-	1 370 652 558	8 382
Advances and redraws	15 971 287		18 520 362			
Loan losses written off	(1 232 899)		(713 974)			
Loan losses recovered	-		-			
Interest adjustments	-		-			
Balance at end of period	1 347 102 846	4 609	1 376 122 480	4 774	1 370 652 558	8 382
Original value of loans advanced	1 817 205 412		1 857 529 650			
Latest current valuations of properties	3 303 258 015		3 392 841 029			
Weighted average number of months since last valuation	112		112			
Indexed values of properties	4 661 959 000		4 820 930 000			
Weighted average seasoning (months)	167		164		65	
Weighted average term to maturity (months)	182		183		261	
Largest asset value	3 080 762		2 940 924		N/A	
Months in the period	3		3		Since transaction close	
Loan book balance used as denominator for CPR and DR percentages below	1 376 122 480		1 410 208 083		206	
Prepayments	35 444 794		38 563 983		1 376 122 480	
Annualised constant prepayment rate (CPR)	10.3%		10.9%		2 868 448 395	
Loan losses	1 232 899		713 974		12.1%	
Annualised default rate (DR)	0.358%		0.203%		17 648 635	
					0.075%	

Properties in possession

	Current period		Previous period	
	01/05/2023 to 31/07/2023		01/02/2023 to 30/04/2023	
Collection period:	R	Loans	R	Loans
Properties in possession at start of period	1 298 000	3	2 238 000	4
Changes	-	-	(940 000)	(1)
Properties in possession at end of period	1 298 000	3	1 298 000	3

Related portfolio covenants

During the Revolving Period, the Issuer may purchase additional home loans in terms of the home loan sale agreement if, immediately following such acquisition on the relevant transfer date, the following portfolio covenants are satisfied. In the Amortising Period, no additional home loans may be acquired but the covenants are still applicable to redraws and further advances:

	Current period		Previous period		Transaction close	
	01/05/2023 to 31/07/2023		01/02/2023 to 30/04/2023		31/05/2006	
Collection period:	Required	Actual	Required	Actual	Required	Actual
Weighted average Original Loan to Value (%)	=< 93.0	90.7	=< 93.0	90.6	=< 93.6	92.5
Weighted average Current Loan to Value (%)	=< 73.0	66.0	=< 73.0	65.8	=< 76.5	75.9
Weighted average Payment to Income (%)	=< 18.0	13.1	=< 18.0	12.6	=< 17.4	16.5
Minimum payroll deduction (number) (%) ¹	=> 87.0	88.8	=> 87.0	88.9	=> 97.0	100.0
Maximum second property loans (number) (%) ²	=< 8.5	3.5	=< 8.5	3.5	=< 7.5	1.5
Minimum direct Eskom employees (number) (%) ³	=> 84.0	87.3	=> 84.0	87.3	=> 85.0	100.0
Average outstanding balance	=< R 400 000	R 292 277	=< R 400 000	R 288 254	=< R300 000	R 163 523

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

As noted above, the issuer was already restricted from purchasing additional home loans as an Early Amortisation event has occurred.

Related early amortisation events

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

	Current period		Previous period		Transaction close	
	01/05/2023 to 31/07/2023		01/02/2023 to 30/04/2023		31/05/2006	
Collection period:	Required	Actual	Required	Actual	Required	Actual
12 month rolling average rates:						
Weighted average home loan rate		9.98%		9.11%		
3 month Jibar daily rate		7.27%		6.40%		
Margin	=> 2.15%	2.70%	=> 2.15%	2.71%		
And						
Current actual rates at interest payment date:						
Weighted average home loan rate		11.20%		10.70%		9.64%
3 month Jibar rate		8.11%		7.45%		7.70%
Margin	=> 2.15%	3.09%	=> 2.15%	3.25%	=> 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	
	01/05/2023 to 31/07/2023		01/02/2023 to 30/04/2023	
Collection period:	Required	Actual	Required	Actual
Weighted average Current Loan to Value (%)	=< 83.0	66.0	=< 83.0	65.8

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

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/07/2023

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning Months	Weighted average term to maturity Months
	R	%	R	%	R	%	R	%	%	Months	Months
Original Loan to Value											
0% - 30%	16 131 663	1.2%	99	2.1%	91 925 500	37.4%	121 457 000	31.1%	10.9%	248	109
30% - 50%	37 299 890	2.8%	174	3.8%	175 011 000	42.9%	230 793 000	37.9%	10.5%	202	149
50% - 70%	99 918 388	7.4%	357	7.7%	336 119 397	49.4%	433 613 000	44.3%	11.2%	158	162
70% - 80%	116 076 206	8.6%	309	6.7%	288 644 900	59.9%	383 050 000	52.4%	11.3%	153	186
80% - 90%	202 010 795	15.0%	489	10.6%	438 612 955	66.4%	576 249 000	58.6%	11.2%	135	199
90% - 100%	441 233 784	32.8%	1 459	31.7%	1 013 865 568	68.3%	1 431 256 000	57.8%	11.2%	156	193
100%+	434 432 122	32.2%	1 722	37.4%	959 078 695	71.9%	1 485 541 000	58.3%	11.3%	193	171
Total	1 347 102 846	100.0%	4 609	100.0%	3 303 258 015	66.0%	4 661 959 000	55.7%	11.2%	167	182
Weighted average		90.7%									
Current Loan to Value											
0% - 30%	132 298 329	9.8%	2 014	43.7%	1 393 399 315	19.3%	2 174 243 000	15.7%	11.1%	238	97
30% - 50%	218 918 037	16.3%	648	14.1%	545 502 233	41.0%	761 676 000	32.7%	11.2%	198	141
50% - 70%	380 656 622	28.3%	831	18.0%	629 650 118	61.0%	831 275 000	49.7%	11.2%	168	181
70% - 80%	269 732 231	20.0%	520	11.3%	358 623 370	75.3%	449 740 000	62.4%	11.3%	144	210
80% - 90%	227 949 451	16.9%	431	9.4%	270 511 779	84.4%	332 149 000	70.4%	11.2%	130	225
90% - 100%	66 001 192	4.9%	105	2.3%	71 009 700	93.0%	78 010 000	86.4%	11.8%	125	235
100%+	51 546 984	3.8%	60	1.3%	34 561 500	163.2%	34 866 000	161.9%	10.2%	182	174
Total	1 347 102 846	100.0%	4 609	100.0%	3 303 258 015	66.0%	4 661 959 000	55.7%	11.2%	167	182
Payment to income ratio											
0% - 5%	174 221 309	12.9%	2 153	46.7%	1 207 862 334	43.3%	2 016 799 000	29.0%	10.9%	216	147
5% - 10%	449 833 067	33.4%	1 284	27.9%	939 747 305	61.7%	1 303 570 000	48.8%	11.1%	180	177
10% - 15%	398 337 204	29.6%	716	15.5%	677 431 333	68.9%	812 068 000	58.9%	11.3%	152	191
15% - 20%	185 594 380	13.8%	264	5.7%	280 834 977	77.9%	320 285 000	72.1%	11.4%	135	199
20% - 25%	75 358 954	5.6%	93	2.0%	112 424 759	74.3%	118 325 000	71.6%	11.2%	134	204
25% - 30%	23 683 429	1.8%	33	0.7%	31 504 725	92.7%	32 208 000	92.1%	11.7%	152	171
30%+	40 074 503	3.0%	66	1.4%	53 452 582	95.8%	58 704 000	91.5%	11.3%	168	182
Total	1 347 102 846	100.0%	4 609	100.0%	3 303 258 015	66.0%	4 661 959 000	55.7%	11.2%	167	182
Weighted average		13.1%									
Payment method											
Payroll Deduction	1 156 555 561	85.9%	4 091	88.8%	2 938 010 639	62.1%	4 193 639 000	50.8%	11.1%	163	185
Other	190 547 285	14.1%	518	11.2%	365 247 376	89.3%	468 320 000	86.0%	11.8%	193	162
Total	1 347 102 846	100.0%	4 609	100.0%	3 303 258 015	66.0%	4 661 959 000	55.7%	11.2%	167	182
Borrower employment status											
Direct Eskom	1 127 693 225	83.7%	4 023	87.3%	2 888 456 296	61.9%	4 126 128 000	50.6%	11.0%	165	183
Other group co.	49 911 447	3.7%	147	3.2%	100 049 377	71.0%	134 183 000	62.3%	11.3%	132	211
Other	169 498 173	12.6%	439	9.5%	314 752 342	91.7%	401 648 000	88.2%	12.2%	189	166
Total	1 347 102 846	100%	4 609	100%	3 303 258 015	66.0%	4 661 959 000	55.7%	11.2%	167	182

NQABA FINANCE 1 (RF) LIMITED

Portfolio stratification tables at determination date 31/07/2023

Red figures correspond to current portfolio covenant tests

	Current balance		Number of loans		Latest current valuation	Weighted average current LTV	Indexed valuation	Weighted average indexed LTV	Weighted average interest rate	Weighted average seasoning	Weighted average term to maturity
	R	%	R	%	R	%	R	%	%	Months	Months
Loan balance (R'000)											
0 - 100	42 407 786	3.1%	1 706	37.0%	901 628 141	20.3%	1 515 717 000	10.9%	11.4%	268	74
100 -200	87 836 883	6.5%	586	12.7%	327 556 607	40.3%	547 843 000	26.1%	11.3%	225	120
200 - 300	131 616 733	9.8%	525	11.4%	321 076 738	53.1%	452 217 000	38.1%	11.4%	195	153
300 - 400	165 954 495	12.3%	476	10.3%	306 541 399	62.6%	420 012 000	47.3%	11.4%	181	175
400 -500	173 453 606	12.9%	386	8.4%	306 785 911	65.6%	390 807 000	52.8%	11.4%	169	183
500 - 700	281 453 828	20.9%	478	10.4%	455 068 812	69.3%	563 523 000	59.2%	11.3%	156	197
700 - 1000	219 420 794	16.3%	266	5.8%	324 036 274	74.8%	377 389 000	68.1%	11.2%	140	207
1000 - 1500	184 873 760	13.7%	156	3.4%	281 317 625	78.4%	309 565 000	73.7%	11.0%	136	205
1500+	60 084 962	4.5%	30	0.7%	79 246 509	87.9%	84 886 000	84.3%	9.5%	150	191
Total	1 347 102 846	100.0%	4 609	100.0%	3 303 258 015	66.0%	4 661 959 000	55.7%	11.2%	167	182
Average balance	292 277										
Interest rate											
0% - 8%	21 810 743	1.6%	78	1.7%	37 637 264	153.2%	55 332 000	158.6%	0.0%	234	120
8% - 10%	37 001 224	2.7%	114	2.5%	125 824 024	50.1%	189 168 000	38.7%	10.0%	178	138
10% -12%	1 147 726 974	85.2%	4 116	89.3%	2 906 863 441	62.4%	4 157 502 000	51.2%	11.1%	164	185
>12.0%	140 563 906	10.4%	301	6.5%	232 933 286	85.4%	259 957 000	81.7%	13.6%	181	177
Total	1 347 102 846	100.0%	4 609	100.0%	3 303 258 015	66.0%	4 661 959 000	55.7%	11.2%	167	182
Seasoning											
0 - 12 months	-	0.0%	-	0.0%	-	0.0%	-	0.0%	0.0%	-	-
12 - 24 months	-	0.0%	-	0.0%	-	0.0%	-	0.0%	0.0%	-	-
24 - 36 months	-	0.0%	-	0.0%	-	0.0%	-	0.0%	0.0%	-	-
36 - 48 months	8 540 441	0.6%	15	0.3%	19 700 000	65.3%	19 700 000	65.3%	11.2%	46	234
48 - 60 months	29 569 408	2.2%	47	1.0%	48 982 000	72.9%	48 982 000	72.9%	11.4%	55	239
60 - 120 months	277 742 503	20.6%	433	9.4%	481 879 575	72.7%	515 057 000	68.8%	11.3%	92	231
120+ months	1 031 250 494	76.6%	4 114	89.3%	2 752 696 440	63.9%	4 078 220 000	51.7%	11.2%	191	166
Total	1 347 102 846	100.0%	4 609	100.0%	3 303 258 015	66.0%	4 661 959 000	55.7%	11.2%	167	182
Region											
Eastern Cape	61 165 453	4.5%	224	4.9%	165 250 900	73.2%	223 924 000	63.1%	10.9%	189	164
Free State	62 714 107	4.7%	233	5.1%	143 455 206	63.1%	204 149 000	52.1%	11.3%	170	177
Gauteng	622 157 835	46.2%	1 718	37.3%	1 444 728 760	64.9%	2 021 818 000	55.5%	11.1%	159	187
Kwazulu Natal	73 885 660	5.5%	295	6.4%	205 308 784	66.1%	301 186 000	55.3%	11.5%	181	171
Limpopo Province	48 941 683	3.6%	218	4.7%	132 418 537	59.9%	191 508 000	49.1%	11.4%	174	177
Mpumalanga	250 936 950	18.6%	1 127	24.5%	618 360 398	68.8%	902 979 000	57.2%	11.3%	175	177
North West	30 099 613	2.2%	132	2.9%	58 092 838	73.1%	95 078 000	60.3%	11.7%	181	168
Northern Cape	13 924 347	1.0%	90	2.0%	41 912 893	72.8%	62 073 000	60.4%	11.5%	177	173
Western Cape	183 277 199	13.6%	572	12.4%	493 729 699	64.1%	659 244 000	54.3%	11.2%	164	188
Total	1 347 102 846	100.0%	4 609	100.0%	3 303 258 015	66.0%	4 661 959 000	55.7%	11.2%	167	182
Property type											
House (Freehold)	1 040 877 909	77.3%	3 708	80.5%	2 611 742 864	64.6%	3 699 361 000	54.3%	11.2%	173	176
Multi-unit (Sectional Title)	232 620 238	17.3%	692	15.0%	429 999 392	74.4%	611 676 000	64.0%	11.2%	141	209
House (Complex)	8 570 769	0.6%	17	0.4%	17 280 000	64.4%	22 875 000	53.5%	11.4%	167	186
Small Holding	2 605 499	0.2%	11	0.2%	10 300 000	46.0%	13 900 000	40.6%	11.5%	186	129
Other	62 428 431	4.6%	181	3.9%	233 935 759	57.8%	314 147 000	50.5%	11.0%	164	181
Total	1 347 102 846	100.0%	4 609	100.0%	3 303 258 015	66.0%	4 661 959 000	55.7%	11.2%	167	182

NQABA FINANCE 1 (RF) LIMITED

Arrears analysis at determination date

	31 July 2023			30 April 2023						
	Loan balances R	%	Number of loans %	Weighted avg. interest rate %	Loan balances R	%	Number of loans %	Weighted avg. interest rate %		
Fully performing										
Current	1 207 001 961	89.6%	4 231	91.8%	11.2%	1 235 934 992	89.8%	4 415	92.5%	10.7%
Non-delinquent										
0 - 1 months	13 225 387	1.0%	54	1.2%	12.4%	12 539 890	0.9%	40	0.8%	12.0%
1 - 2 months	3 491 051	0.3%	26	0.6%	12.6%	11 046 070	0.8%	29	0.6%	12.4%
2 - 3 months	6 104 907	0.5%	20	0.4%	12.9%	5 250 687	0.4%	14	0.3%	12.6%
Total	22 821 345	1.7%	100	2.2%	12.6%	28 836 648	2.1%	83	1.7%	12.3%
Deteriorated										
3 - 4 months	2 355 994	0.2%	12	0.3%	12.2%	2 078 210	0.2%	5	0.1%	12.5%
4 - 5 months	4 686 623	0.3%	15	0.3%	13.4%	711 595	0.1%	5	0.1%	12.4%
5 - 6 months	167 708	0.0%	1	0.0%	11.5%	2 757 917	0.2%	10	0.2%	12.2%
6 - 12 months	4 376 486	0.3%	18	0.4%	13.1%	5 449 650	0.4%	28	0.6%	12.4%
>12 months	9 030 890	0.7%	49	1.1%	13.1%	13 487 967	1.0%	70	1.5%	11.4%
Total	20 617 701	1.5%	95	2.1%	13.0%	24 485 339	1.8%	118	2.5%	11.8%
Defaulted										
Litigation	50 647 309	3.8%	76	1.6%	12.1%	46 344 853	3.4%	69	1.4%	11.0%
Other categories										
Debt review	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%
Arrangement	38 969 094	2.9%	98	2.1%	11.5%	35 041 662	2.5%	81	1.7%	11.1%
Third party attachment	-	0.0%	-	0.0%	0.0%	-	0.0%	-	0.0%	0.0%
Properties sold	5 747 435	0.4%	6	0.1%	0.0%	4 180 986	0.3%	5	0.1%	0.0%
Properties in possession	1 298 000	0.1%	3	0.1%	0.0%	1 298 000	0.1%	3	0.1%	0.0%
Total	46 014 529	3.4%	107	2.3%	9.7%	40 520 648	2.9%	89	1.9%	9.6%
Total	1 347 102 846	100.0%	4 609	100.0%	11.2%	1 376 122 480	100.0%	4 774	100.0%	10.7%

Movement in properties classified as Litigations

Quarter ended:	31 July 2023		30 April 2023	
	R	Number	R	Number
Opening balance	46 344 853	69	50 533 129	76
Loans exit litigation	(2 463 327)	(6)	(12 528 801)	(16)
Loans enter litigation	5 012 966	13	6 803 193	9
Repayments	(28 293)		(12 000)	
Advance	226 465		161 429	
Interest	1 423 656		1 266 184	
Loan losses	(4)		-	
Valuation fees	12 018		2 185	
Capitalised insurance	118 975		119 536	
Closing balance	50 647 309	76	46 344 854	69

Provisions

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

The amounts shown in the company's Management Reports are:

	31/07/2023 R	30/04/2023 R
Impairments applied to loan book excluding properties in possession	52 670 157	52 670 157
Impairments applied to properties in possession	622 780	622 780
Total impairments	53 292 937	53 292 937

Arrears reserve triggers

An arrears reserve trigger event shall occur on any determination date where the aggregate principal balances of home loans
 (i) which are in arrears for more than 3 months; and/or
 (ii) in respect of which the Issuer has instituted legal proceedings for the recovery of amounts owing,
 exceeds 2% of the aggregate principal balances of the home loans and shall cease when such percentage reduces to 1,5%;

		31/07/2023	30/04/2023
		R	R
Aggregate principal balances on home loans as above	A	1 347 102 846	1 376 122 480
Balances which are in arrears for more than 3 months	B	20 617 701	24 485 339
Balances for which the Issuer has instituted legal proceedings	C	50 647 309	46 344 853
Total arrears for calculation purposes	D = B + C	71 265 010	70 830 193
Arrears %	E = D / A	5.29%	5.15%
Arrears reserve trigger level percentage		2.00%	2.00%
Arrears reserve trigger level value		26 942 057	27 522 450
If arrears % (E) previously exceeded the trigger, check whether arrears have decreased to 1.5%		No	No
Arrears trigger event maintained		Yes	Yes
If Yes, calculation of arrears reserve required:			
Original valuation of the related properties		21 766 428	33 554 785
Latest valuation of the related properties		45 344 232	65 382 638
Balances which are in arrears for more than 3 months	B	20 617 701	24 485 339
60% of the lower of the original valuation and latest valuation	F	13 059 857	20 132 871
Test difference between arrears and conservative value of related properties	G = B - F	7 557 844	4 352 468
If an Early Amortisation event has occurred, all funds in the reserve to be applied in accordance with the Pre-Enforcement Priority of Payments during the Amortising Period		Yes	Yes
Arrears reserve required amount (if value greater, no cash reserve required)	H	-	-
Changes in arrears reserve			
Opening balance		-	-
Changes reflected in Priority of Payments		-	-
Closing balance	H	-	-

Related early amortisation arrears trigger

		31/07/2023	30/04/2023
		R	R
Loan book balance		1 347 102 846	1 376 122 480
Trigger per cent		2.50%	2.50%
Trigger value	I	33 677 571	34 403 062
Total arrears as defined above	D	71 265 010	70 830 193
Headroom (deficit)		(37 587 439)	(36 427 131)
Early amortisation arrears trigger event (D > I)		Yes	Yes
Scheme has moved to early amortisation			

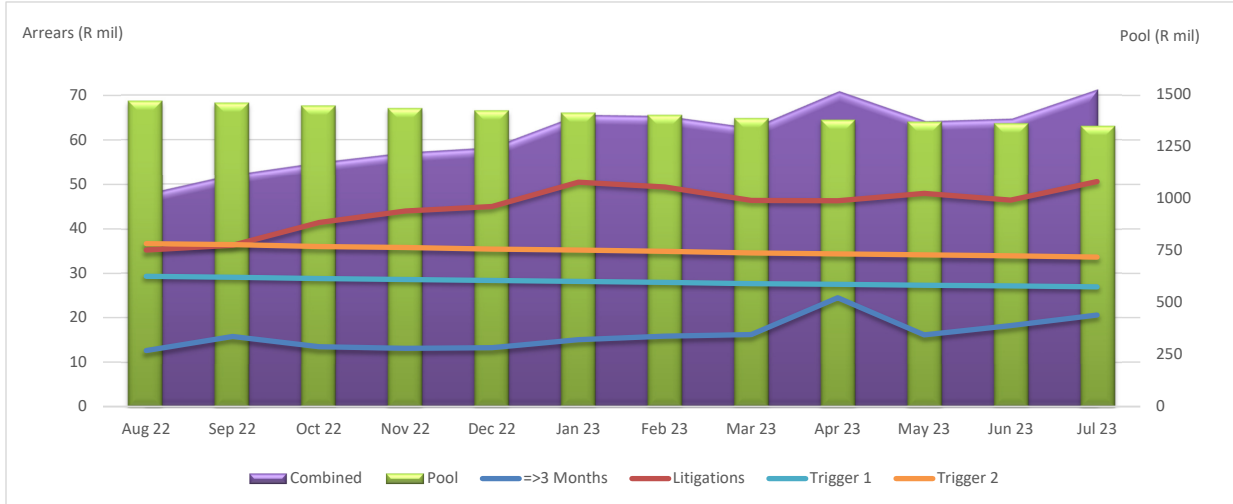
Trends

Arrears analysis (values in R million)

End of:	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23
Pool	1466	1458	1443	1432	1420	1410	1398	1384	1376	1366	1358	1347
Trigger 1 (%)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Trigger 1	29.32	29.15	28.85	28.63	28.39	28.20	27.97	27.68	27.52	27.32	27.16	26.94
=>3 Months	12.58	15.76	13.47	13.13	13.26	15.04	15.85	16.20	24.49	16.12	18.24	20.62
Litigations	35.21	36.33	41.45	44.04	45.05	50.53	49.47	46.44	46.34	47.98	46.46	50.65
Combined	47.79	52.09	54.93	57.17	58.31	65.57	65.32	62.64	70.83	64.11	64.70	71.27
Trigger 1 diff	-18.47	-22.94	-26.07	-28.54	-29.92	-37.37	-37.36	-34.96	-43.31	-36.79	-37.54	-44.32
Trigger 2 (%)	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Trigger 2	36.65	36.44	36.07	35.79	35.49	35.26	34.96	34.60	34.40	34.15	33.95	33.68
Trigger 2 diff	-11.14	-15.66	-18.86	-21.38	-22.82	-30.32	-30.36	-28.04	-36.43	-29.96	-30.75	-37.59

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

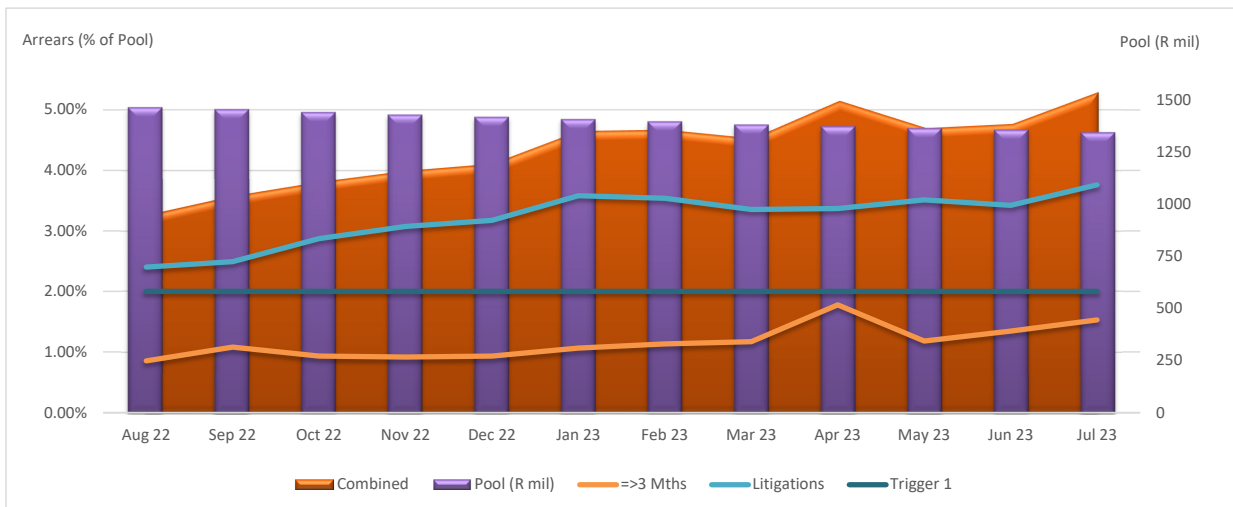
Trigger 2 (2.5% of Pool) = If breached by combined arrears, early amortisation is required (from July 2020)



Arrears analysis (percentages)

End of:	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23
Pool (R mil)	1466	1458	1443	1432	1420	1410	1398	1384	1376	1366	1358	1347
=>3 Mths	0.86%	1.08%	0.93%	0.92%	0.93%	1.07%	1.13%	1.17%	1.78%	1.18%	1.34%	1.53%
Litigations	2.40%	2.49%	2.87%	3.08%	3.17%	3.58%	3.54%	3.36%	3.37%	3.51%	3.42%	3.76%
Combined	3.26%	3.57%	3.81%	3.99%	4.11%	4.65%	4.67%	4.53%	5.15%	4.69%	4.76%	5.29%
Trigger 1	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

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

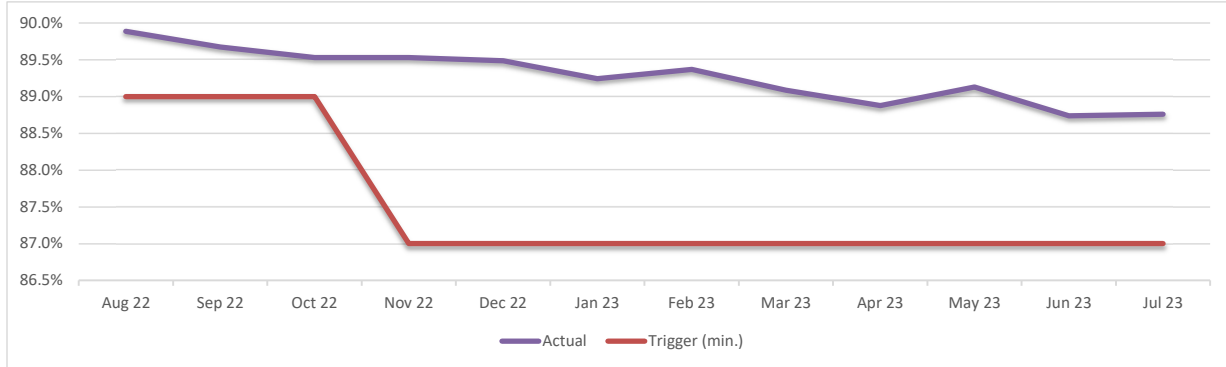


Trends

Payroll Deduction Percentage (number of borrowers)

End of:	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23
Actual	89.9%	89.7%	89.5%	89.5%	89.5%	89.2%	89.4%	89.1%	88.9%	89.1%	88.7%	88.8%
Trigger (min.)	89.0%	89.0%	89.0%	87.0%	87.0%	87.0%	87.0%	87.0%	87.0%	87.0%	87.0%	87.0%

Trigger = If breached, purchase of additional home loans prohibited

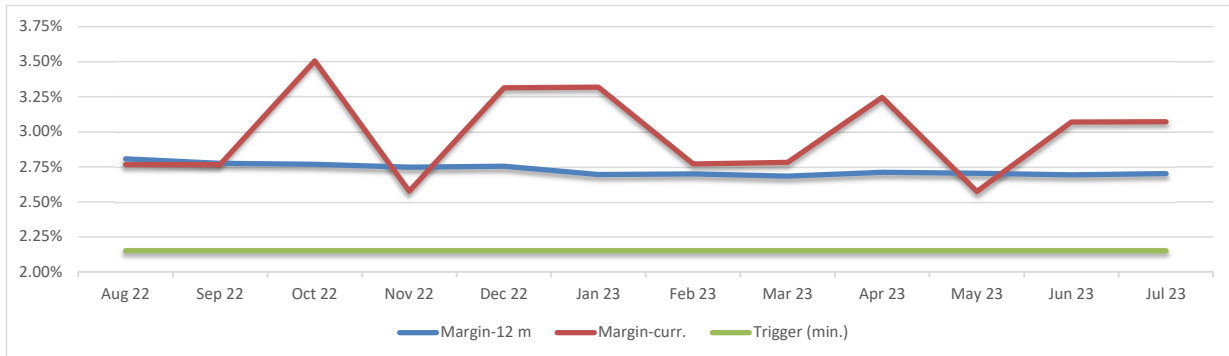


Interest rate margin

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.

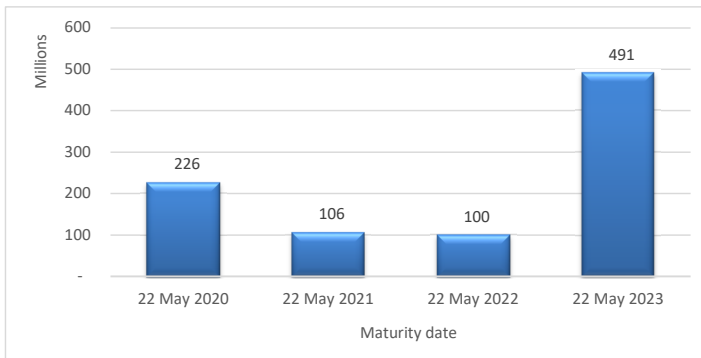
End of:	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23
12 months rolling average:												
HL-12 m	7.13%	7.30%	7.53%	7.76%	8.02%	8.29%	8.56%	8.83%	9.11%	9.40%	9.69%	9.98%
Jibar-12 m	4.33%	4.53%	4.76%	5.01%	5.27%	5.60%	5.86%	6.15%	6.40%	6.70%	7.00%	7.27%
Margin-12 m	2.81%	2.77%	2.77%	2.75%	2.75%	2.69%	2.70%	2.68%	2.71%	2.70%	2.69%	2.70%
Current month:												
HL-current	8.51%	8.51%	9.25%	9.24%	9.98%	9.99%	10.22%	10.23%	10.70%	10.70%	11.20%	11.20%
Jibar-curr.	5.74%	5.74%	5.74%	6.67%	6.67%	6.67%	7.45%	7.45%	7.45%	8.13%	8.13%	8.13%
Margin-curr.	2.77%	2.77%	3.51%	2.58%	3.31%	3.32%	2.77%	2.78%	3.25%	2.57%	3.07%	3.07%
Trigger (min.)	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%

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



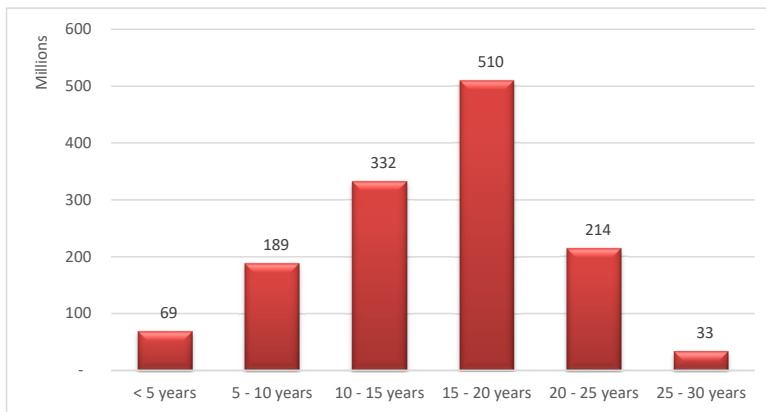
Trends

Notes maturity analysis



Maturity date	Current value
22 May 2020	226 030 647
22 May 2021	105 924 279
22 May 2022	99 660 217
22 May 2023	490 896 137
Total	R 922 511 280

Asset pool maturity analysis



Loan maturity	Current balance
< 5 years	69 160 141
5 - 10 years	188 790 647
10 - 15 years	332 446 671
15 - 20 years	509 631 580
20 - 25 years	213 853 215
25 - 30 years	33 220 592
Total	R 1 347 102 846

NQABA FINANCE 1 (RF) LIMITED

Note interest calculations for current interest payment date 22/08/2023

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		Balance end of period R	Step up call date	Step up margin
									accrued and paid R	Principal distributed R			
A10	NQ1A10	55 015 894	22/05/2023	22/08/2023	92	8.108%	2.000%	10.108%	1 401 678	(3 054 657)	51 961 237	31/07/2020	2.000%
A24	NQ1A24	148 303 704	22/05/2023	22/08/2023	92	8.108%	2.240%	10.348%	3 868 151	(8 234 294)	140 069 410	22/05/2020	2.240%
A25	NQ1A25	80 108 072	22/05/2023	22/08/2023	92	8.108%	2.576%	10.684%	2 157 273	(4 447 855)	75 660 217	22/05/2022	2.576%
A27	NQ1A27	351 407 396	22/05/2023	22/08/2023	92	8.108%	2.590%	10.698%	9 475 638	(19 511 259)	331 896 137	22/05/2023	2.590%
A28	NQ1A28	112 151 278	22/05/2023	22/08/2023	92	8.108%	2.100%	10.208%	2 885 625	(6 226 999)	105 924 279	22/05/2021	2.100%
Totals Class A		746 986 344						Weighted average: 10.510%	19 788 365	(41 475 064)	705 511 280		
B10	NQ1B10	11 000 000	22/05/2023	22/08/2023	92	8.108%	2.200%	10.308%	285 800	-	11 000 000	31/07/2020	2.200%
B17	NQ1B17	8 000 000	22/05/2023	22/08/2023	92	8.108%	2.548%	10.656%	214 872	-	8 000 000	22/05/2020	2.548%
B20	NQ1B20	159 000 000	22/05/2023	22/08/2023	92	8.108%	3.150%	11.258%	4 511 836	-	159 000 000	22/05/2023	3.150%
B21	NQ1B21	24 000 000	22/05/2023	22/08/2023	92	8.108%	2.800%	10.908%	659 859	-	24 000 000	22/05/2022	2.800%
Totals Class B		202 000 000						Weighted average: 11.141%	5 672 367	-	202 000 000		
C10	NQ1C10	5 000 000	22/05/2023	22/08/2023	92	8.108%	2.400%	10.508%	132 430	-	5 000 000	31/07/2020	2.400%
C17	NQ1C17	5 000 000	22/05/2023	22/08/2023	92	8.108%	3.150%	11.258%	141 882	-	5 000 000	22/05/2020	3.150%
Totals Class C		10 000 000						Weighted average: 10.883%	274 311	-	10 000 000		
D5	NQ1D5	5 000 000	22/05/2023	22/08/2023	92	8.108%	1.150%	9.258%	116 676	-	5 000 000	22/05/2020	1.150%
Totals Class D		5 000 000						Weighted average: 9.258%	116 676	-	5 000 000		
Totals all Notes		963 986 344						Weighted average: 10.640%	25 851 719	(41 475 064)	922 511 280		
Subordinated loan		290 000 000	22/05/2023	22/08/2023	92	8.108%	3.000%	11.108%	-	-	290 000 000		
Total funding		1 253 986 344						Weighted average interest rate all funding: 10.748%	25 851 719	(41 475 064)	1 212 511 280		

Credit enhancement limit at start of quarter	30.1%	of notes outstanding	Step-up rates have been applied to all Notes in issue as they have become Matured Notes..
Current value of credit enhancement (end of quarter)	31.4%	of notes outstanding	
Credit enhancement committed and not drawn	0%		
Credit			

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

Excess spread

	Quarter ended: 22/08/2023		%	22/05/2023
	R			R
Average loan pool balance	<u>1 361 804 970</u>			<u>1 392 136 664</u>
Interest received to determination date	37 712 306	10.99%		10.37%
Expenses per Priority of Payments (POP)	<u>(2 917 664)</u>	<u>-0.85%</u>		<u>-0.65%</u>
	34 794 642	10.14%		9.72%
Note coupon per POP	<u>(25 851 719)</u>	<u>-7.53%</u>		<u>-6.90%</u>
Excess spread before subordinated loan interest	8 942 922	2.61%		2.82%
Subordinated loan interest per POP	-	0.00%		0.00%
Excess spread	<u>8 942 922</u>	<u>2.61%</u>		<u>2.82%</u>

Liquidity and redraw facilities at Interest payment date

Liquidity facility	22/08/2023	22/05/2023	Redraw facility	22/08/2023	22/05/2023
	R	R		R	R
Facility limit (2% of greater of Initial Note Issue and current outstanding Notes)	31 360 000	31 360 000	Facility limit	131 000 000	131 000 000
Available facility:			Available facility:		
Outstandings at start of period	-	-	Outstandings at start of period	-	-
Further amounts drawn	-	-	Further amounts drawn (repaid)	-	-
Less: Outstandings at end of period	-	-	Less: Outstandings at end of period	-	-
Available facility at end of period	<u>31 360 000</u>	<u>31 360 000</u>	Available facility at end of period	<u>131 000 000</u>	<u>131 000 000</u>
The facility was renewed with effect from 21/02/2023. It has never been used. The fee charge is 0,45% per annum of the facility limit with an upfront charge of 0,5%.			The facility was renewed with effect from 21/02/2023 at a higher limit. It has never been used. The fee charge is 0,45% per annum of the facility limit with an upfront charge of 0,5%.		

Early amortisation events (summary)

	22/08/2023	22/05/2023
The occurrence of any of the following events, as determined by the manager, will give rise to early amortisation of the transaction. Please see the referenced pages for further details:		
	Reference	Breach
Any new tax which has a material adverse effect on the Issuer		No
Any Servicer event of default		No
The Arrears Reserve (if required) is not fully funded for six consecutive payment dates	Page 7	N/A
The weighted average current LTV exceeds the required weighted average current LTV by more than 10%	Page 3	No
The aggregate principal balances of home loans which are in arrears for more than 3 months, together with those in litigation, exceeds 2,5% of the aggregate principal balances of the Home Loans	Page 7	Yes
The Issuer does not achieve the required interest margin	Page 3	No
A Principal deficiency exists on any payment date	Page 13	No
Upon occurrence of a downgrade in the long term corporate family rating of Eskom Holdings SOC Limited to below Caa1 by Moody's	Page 2	No
Where the Rating Agency has assigned a national scale rating of A3.za or below to the Class A Notes	Page 11	No
Where the Rating Agency has assigned a Rating to a tranche of Notes in issue, the Rating Agency withdraws its Ratings of all such tranches of Notes and such Ratings are not reinstated within 30 days	Page 11	No

NQABA FINANCE 1 (RF) LIMITED

Principal deficiency ledger at Interest payment date

	22/08/2023 R	22/05/2023 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	963 986 344	1 005 285 771
Less: Amount allocated for the redemption of notes	(41 475 064)	(41 299 427)
- Class A	(41 475 064)	(41 299 427)
- Class B	-	-
- Class C	-	-
- Class D	-	-
Plus: Funds raised through refinancing	-	-
Plus: Principal amount outstanding under the redraw facility at the end of the preceding collection period	-	-
Less: Amount allocated in current priority of payments to repay the redraw facility	-	-
Total liabilities (L)	922 511 280	963 986 344
Assets		
Aggregate principal balances of home loans on the last day of the immediately preceding Collection Period	1 347 227 986	1 376 122 480
Plus: Home loans transferred on the next day from funds previously allocated	-	-
Total principal balances at start of current period	1 347 227 986	1 376 122 480
Amount allocated to purchase additional home loans on the immediately succeeding Payment Date *	-	-
* For practical reasons, transfers occur at the start of the next Collection Period	-	-
Total assets (A)	1 347 227 986	1 376 122 480
Principal deficiency (A - L) (never less than zero) (PD)	-	-

Conclusion: No principal deficiency exists

Interest Deferral events

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

Principal Deficiency calculated above (PD)	-	-
Class D interest deferral test to protect class C and above Noteholders		
Class D Notes	5 000 000	5 000 000
Class E Notes	-	-
Subordinated loan	290 000 000	290 000 000
Total (D)	295 000 000	295 000 000
Net Principal Deficiency (PD - D) (never less than zero)	-	-
Class C interest deferral test to protect class B and above Noteholders		
Class C Notes (C)	10 000 000	10 000 000
Net Principal Deficiency (PD - D - C) (never less than zero)	-	-
Class B interest deferral test to protect class A Noteholders		
Class B Notes (B)	202 000 000	202 000 000
Net Principal Deficiency (PD - D - C - B) (never less than zero)	-	-

NB: If there is an Interest Deferral Event, redemptions of matured Class B to D Notes will be affected.

Conclusion: No interest deferral is necessary as no principal deficiency exists

Reserve funds at Interest payment date

	R	R
Reserve fund balance at transaction close	-	-
Arrears reserve at start of period	-	-
Current period change	-	-
Arrears reserve at end of period	-	-

The arrears reserve had been funded since the required date but as an Early Amortisation event has occurred, the funds have been applied in accordance with the Pre-Enforcement Priority of Payments during the Amortising Period. The Issuer has no other reserve funds.

NQABA FINANCE 1 (RF) LIMITED

Cash flow statement to determination date

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

	Three months ended:	
	31/07/2023	30/04/2023
	R	R
Profit before tax per income statement	2 857 845	1 902 086
Add back:		
Fair value adjustments	-	-
Funds from operations	<u>2 857 845</u>	<u>1 902 086</u>
Taxation paid	-	-
(Decrease) in Notes and sub-loan including accrued interest	(31 272 102)	(37 010 280)
Decrease in portfolio assets including accrued interest	29 019 634	34 085 604
(Increase) decrease in amounts due by EFC and accounts receivable	(357 028)	681 868
(Decrease) increase in amounts due to EFC and accounts payable	(3 298 723)	3 969 017
(Decrease) increase in funds	<u>(2 812 162)</u>	<u>2 849 861</u>
Funds available at beginning of the period	58 413 969	54 317 719
Funds available at end of the period to Priority of Payments	<u><u>55 601 806</u></u>	<u><u>57 167 581</u></u>

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

NB: The Amortising period started on 31 July 2020

	22/08/2023	22/05/2023
	R	R
Cash at bank as above	55 601 806	57 167 580
Add: Commingling amounts subsequently received from EFC	19 019 730	18 408 540
Less: commingling amounts payable to EFC	(4 377 089)	(8 229 099)
Available cash	<u>70 244 447</u>	<u>67 347 020</u>
Payments		
1 South African Revenue Services	-	(407 496)
2 Security SPV trust, owner trust and third party payments	(2 705 884)	(1 999 089)
3 Derivative counterparty settlement received (paid)	-	-
4 Liquidity facility provider - fees	(40 905)	(39 572)
5 Redraw facility provider - fees	(170 874)	(165 302)
6 Class A to D Note holders:		
Interest on Class A notes	(19 788 365)	(18 267 590)
Surplus / (Deficit)	<u>47 538 419</u>	<u>46 467 972</u>
Interest on Class B notes	<u>(5 672 367)</u>	<u>(4 814 373)</u>
Interest payable	(5 672 367)	(4 814 373)
Less: Class B interest deferred	-	-
Interest on Class C notes	<u>(274 311)</u>	<u>(249 322)</u>
Interest payable	(274 311)	(249 322)
Less: Class C interest deferred	-	-
Interest on Class D notes	<u>(116 676)</u>	<u>(104 849)</u>
Interest payable	(116 676)	(104 849)
Less: Class D interest deferred	-	-
Surplus / (Deficit)	<u>41 475 064</u>	<u>41 299 427</u>
7 Redraw facility provider	-	-
8 Class A to D Note holders principal repayments	<u>(41 475 064)</u>	<u>(41 299 427)</u>
	<u>-</u>	<u>-</u>

NQABA FINANCE 1 (RF) LIMITED

	YTD 31/07/2023 (4 months) R	YTD 30/04/2023 (1 month) R
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Statement of Comprehensive Income

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

Financing income	49 872 826	12 108 067
Financing cost	43 085 753	10 390 643
Financing margin	6 787 073	1 717 425
Loan losses	1 232 899	-
Loan losses written off	1 232 899	-
Impairment provisions	-	-
Loan Losses recovered	9 748	-
Interest received from bank	965 353	271 796
Interest (paid) / received from SARS	-	-
Operating profit/(loss)	6 529 275	1 989 220
Operating expenditure	(2 162 182)	(479 972)
Bank Charges	7 106	1 530
Management fees	169 802	39 476
Servicer fees	787 773	195 658
Liquidity fees	95 224	13 339
Redraw Facility fees	395 228	53 168
Back-up Servicer fees	45 668	11 343
Audit fees	268 333	67 083
JSE fees	58 911	14 728
Directors' and owner trust fees	183 115	45 779
Rating fees (Annual)	61 566	15 505
Rating fees (Subsequent)	-	-
Safe Custody and Settlement Agent fees	-	-
National Credit Regulator fees	28 834	7 209
Credit Ombudsman	34 728	8 682
Strate fees	25 893	6 473
Bond issue fees	-	-
Legal Fees	-	-
Net profit/(loss) before tax	4 367 093	1 509 248
Taxation - normal tax	-	(407 497)
Taxation - deferred tax	1 179 115	-
Tax Penalties	-	-
Net profit/(loss) after tax	5 546 208	1 101 751
Dividends	-	-
Net profit/(loss) after distribution	5 546 208	1 101 751
Retained income at beginning of the financial year	18 057 805	32 693 671
Retained income at end of the period	23 604 014	33 795 422

	31/07/2023 R	30/04/2023 R
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Statement of Financial Position

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

Assets

Non-Current Assets	1 246 112 999	1 273 901 179
Home loan advances	1 234 996 613	1 262 788 061
Properties in possession	675 220	675 220
Deferred tax	10 441 167	10 437 898
Current Assets	136 400 474	140 322 005
Home loan advances	58 138 077	59 366 262
Amounts due by EFC	19 019 730	18 408 540
Cash and cash equivalents	55 601 806	58 413 969
Prepayments	699 823	938 035
Revenue Services	2 066 057	2 066 057
Receivables	874 979	1 129 142
Total assets	1 382 513 473	1 414 223 184

Equity and liabilities

Capital and reserves	23 604 115	19 974 652
Share capital	101	101
Distributable reserves	23 604 014	19 974 551
Non-current liabilities	1 073 241 566	1 138 842 793
Interest-bearing debt	783 241 566	848 842 793
Subordinated loan	290 000 000	290 000 000
Current Liabilities	285 667 792	255 405 739
Interest-bearing debt	199 642 026	174 085 911
Subordinated loan	78 537 654	70 532 994
Trade and other payables	3 111 022	2 557 735
Amounts due to EFC	4 377 089	8 229 099
SA Revenue Services	-	-
Total equity and liabilities	1 382 513 473	1 414 223 184

NQABA FINANCE 1 (RF) LIMITED

Abridged glossary of definitions

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

Amortisation Period	the period commencing on the expiry of the Revolving Period and ending on the delivery of an Enforcement Notice. (During this time, the Pre-Enforcement Priority of Payments applicable during the Amortisation Period will be applicable.)
Arrears	any amount unpaid in respect of an Instalment, other than a failure to pay which is due solely to a failure of the bank payment system or a failure of the payroll deduction mechanism through which Eskom deducts payments from the salaries of the Borrowers on behalf of EFC, provided that such failure of the payroll mechanism shall not persist for longer than one month
Average Outstanding Balance	the aggregate of all amounts outstanding under the Home Loans owned by the Issuer divided by the number of Home Loans owned by the Issuer
Business Day	a day (other than a Saturday, Sunday or statutory public holiday) on which commercial banks settle payments in Rand in Johannesburg
Collection Period	each calendar month period commencing on (and including) the day following a Determination Date and ending on (and including) the following Determination Date
Credit Enhancement Determination Date	the most recent date on which the Issuer received a Rating Affirmation
Current LTV Ratio	in respect of a Home Loan, the LTV Ratio (see below) as at the most recent Determination Date
Defaulted Asset	any Home Loan Agreement with respect to which the Issuer has commenced legal proceedings (including the delivery of a letter of demand) for the repayment of amounts outstanding under such Home Loan Agreement
Deteriorated Asset	any Home Loan Agreement with respect to which more than three Instalments are in Arrears
Determination Date	the last day of the calendar month preceding each Payment Date
Enforcement Notice	a notice delivered or deemed to have been delivered to the Issuer (by the Security SPV) pursuant to the Terms and Conditions following an Event of Default under the Notes
Eligibility Criteria	the criteria that a Home Loan must satisfy to be acquired by the Issuer, as set out in Schedule 3 to the Home Loan Sale Agreement
Fully Performing	a Home Loan which is not currently in Arrears
Further Advance	means additional principal advances (in excess of Repayments and Prepayments) advanced to a Borrower in terms of the Home Loan Agreement concluded by such Borrower (the terms of which Home Loan Agreement will determine whether the additional advances to the Borrower are discretionary or obligatory)
Home Loan	a Guaranteed Home Loan or a Mortgaged Home Loan owned by the Seller that complies with the Eligibility Criteria and is sold to the Issuer pursuant to the provisions of the Home Loan Sale Agreement, which Home Loan has been granted by the Seller to a Borrower for the purpose of funding the acquisition or financing of a Property
Home Loan Rate	the annual lending rate of interest from time to time levied in respect of each home loan originated by the Servicer, or such other entity approved by the Rating Agency, nominal annual compounded monthly in arrears
Instalment	the monthly payment in respect of principal, interest (or a combination of both) and insurance premiums, if applicable, due in respect of a Home Loan, in accordance with the provisions of the relevant Home Loan Agreement
Interest Payment Date(s)	in relation to each Tranche of Notes, the interest payment dates specified as such in the Applicable Pricing Supplement. (In practice, all current notes issued have the same interest payment dates - see page 2.)

NQABA FINANCE 1 (RF) LIMITED

Abridged glossary of definitions

Issuer Expense Cap	an annual amount calculated by the Manager in respect of each financial year of the Issuer in respect of items 2 to 5 of the Priority of Payments, and notified in writing to the Issuer and the Rating Agency, which amount shall not exceed 0.35% of the aggregate of the Outstanding Principal Amounts of the Notes in issue from time to time plus any amounts outstanding under the Subordinated Loan(s)
Liquidity Facility	a committed Rand denominated short term loan facility, provided by the Liquidity Facility Provider in terms of the Liquidity Facility Agreement
Liquidity Facility Limit	2% of the Outstanding Principal Amount of the Notes in issue from time to time, being the maximum aggregate amount that can be drawn at any time under the Liquidity Facility
Liquidity Shortfall	on any Payment Date, an amount equal to the sum of items 1 to 6 in the Pre-Enforcement Priority of Payments applicable during the Revolving Period or an amount equal to the sum of items 1 to 6 in the Pre-Enforcement Priority of Payments applicable during the Amortisation Period, as the case may be payable on such Payment Date, less the cash available in the relevant Priority of Payments on such Payment Date to fund such expenses
LTV Ratio	in respect of a Home Loan, the loan to value ratio of such Home Loan, being the ratio of the total amount outstanding under the Home Loan to the most recent value placed on the Property by an Accredited Valuer for the purposes of valuing the Property relating to the relevant Home Loan
Mandatory Redemption in part (Amortisation Period)	The Notes in all Tranches of Notes will be subject to mandatory redemption in part on each Interest Payment Date during the Amortisation Period, in reducing order of rank (and pari passu if of equal rank) as determined by the respective Classes of the Notes, to the extent permitted by and in accordance with the Priority of Payments
Mandatory Redemption following delivery of an Enforcement Notice	Upon the delivery of an Enforcement Notice (following the occurrence of an Event of Default), the Notes in all Tranches of Notes will be immediately due and payable
Mortgage Bond	in respect of Mortgaged Home Loans, a first mortgage bond or sectional title bond on terms acceptable to the Home Loan Lender, registered over the Property of the relevant Borrower in favour of the Home Loan Lender as security for the obligations of such Borrower to the Home Loan Lender in relation to the Home Loan granted to such Borrower
NACQ	nominal annual compounded quarterly
Original LTV Ratio	in respect of a Home Loan, the LTV Ratio as at origination of that Home Loan, or if such information is unavailable, the greater of the Current LTV Ratio and the weighted average LTV Ratio in respect of Home Loans where an Original LTV Ratio is available
Payment Date	the 22nd day of every month on which the Issuer pays, or makes provision for the payment of, amounts owing to creditors of the Issuer
Portfolio Covenants	the criteria that the aggregate portfolio of Home Loans owned by the Issuer must satisfy, after the acquisition of each Home Loan under the Home Loan Sale Agreement, as set out in Schedule 4 to the Home Loan Sale Agreement
Post-Enforcement Priority of Payments	the order in which payments shall be made from the Transaction Account, after the delivery of an Enforcement Notice, as set out in the Management Agreement
Potential Redraw Amount	in respect of a Home Loan at any time, the aggregate monies which the Borrower is entitled to draw, and the Home Loan Lender is obliged to advance, at such time in accordance with the provisions of the Home Loan Agreement concluded by such Borrower
Pre-Enforcement Priority of Payments	the Pre-Enforcement Priority of Payments applicable during the Revolving Period and the Pre-Enforcement Priority of Payments applicable during the Amortisation Period
Pre-Enforcement Priority of Payments applicable during the Amortisation Period	the order in which payments shall be made from the Transaction Account during the Amortisation Period and prior to delivery of an Enforcement Notice pursuant to an Event of Default, as set out in the Management Agreement. (See Mandatory Redemption in part above.)

NQABA FINANCE 1 (RF) LIMITED

Abridged glossary of definitions

Pre-Enforcement Priority of Payments applicable during the Revolving Period	the order in which payments shall be made from the Transaction Account during the Revolving Period and prior to delivery of an Enforcement Notice pursuant to an Event of Default, as set out in the Management Agreement
Prepayments	principal repayments received under a Home Loan in excess of the minimum scheduled Instalments which a Borrower is obliged to pay
PTI Ratio	payment to monthly income ratio, being the ratio of the minimum required Instalment payable under a Home Loan Agreement to the combined gross monthly income of the Borrower concerned and such Borrower's spouse and/or live-in partner and/or any Surety for such Borrower or such other amount or person as the Rating Agency, upon written request by the Issuer, confirms in writing will not adversely affect the then current Rating of the Notes (which income comprises basic salary and travel allowance)
Rate Determination Date	in respect of each Interest Period for a Tranche of Floating Rate Notes, the day falling on the first day of that Interest Period or, if such day is not a Business Day, the first following day that is a Business Day
Re-advance	a re-advance to the relevant Borrower, in terms of the Home Loan Agreement concluded by such Borrower (the terms of which Home Loan Agreement will determine whether the re-advance to the Borrower is discretionary or obligatory), of a portion of the principal of such Borrower's Home Loan, which principal has previously been repaid by such Borrower (i.e., a re-advance of Repayments but excluding Prepayments)
Redraw	a re-advance to the relevant Borrower, in terms of the Home Loan Agreement concluded by such Borrower (the terms of which Home Loan Agreement will determine whether the re-advance to the Borrower is discretionary or obligatory), of a portion of the principal of such Borrower's Home Loan, which principal has previously been repaid by such Borrower in excess of the minimum required Instalments (i.e. a re-advance of Prepayments)
Redraw Facility	a committed Rand denominated revolving facility, provided by the Redraw Facility Provider in terms of the Redraw Facility Agreement
Redraw Facility Limit	an amount equal to or greater than 50% (fifty percent) of Potential Redraw Amount
Required Direct Employees Percentage	the percentage of Home Loans advanced to employees who are directly employed by Eskom and not employed by a subsidiary company of Eskom or such other companies forming part of the Eskom group of companies in relation to the portfolio of Home Loans owned by the Issuer, as specified in the Applicable Pricing Supplement, which percentage on the Most Recent Evaluation Date may decrease by 1% from the percentage determined at the previous Credit Enhancement Determination Date. (As amended 29 November 2022.)
Revolving Period	the period commencing on (and including) the Commencement Date and ending on (but excluding) the occurrence of an Early Amortisation Event
Secured Creditors	EFC and each of the creditors of the Issuer set out in the Priority of Payments that is a party to a Transaction Document
Subordinated Notes	all the Notes issued on each Issue Date, other than the Class A Notes issued on that Issue Date
Transaction Documents	the Common Terms Agreement, the Home Loan Sale Agreement, the Servicing Agreement, the Liquidity Facility Agreement, the Redraw Facility Agreement, the Subordinated Loan Agreement, the Management Agreement, the Bank Agreement, the Guaranteed Investment Contract, the Security Agreements, the Security SPV Guarantee, the Preference Share Subscription Agreement, the Notes, the Programme Agreement, the Programme Memorandum, any Note Subscription Agreement, the agreements entered into from time to time with Derivative Counterparties, the Safe Custody Agreement, the trust deed of the Owner Trust, the trust deed of the Security SPV Owner Trust, the memorandum of incorporation of the Issuer and the Security SPV and agreements that may be entered into from time to time with Approved Originators