

BNP PARIBAS PERSONAL FINANCE SOUTH AFRICA LIMITED

SEPTEMBER 2023



RCS

BNP PARIBAS GROUP 

BNP PARIBAS OVERVIEW

BNP PARIBAS S.A.



BNP PARIBAS

184,000

Employees

64

Countries

€50,4bn

In revenues

June 2023 results: Solid results reflecting the Group's strong intrinsic performance

Revenue growth supported by strength of the diversified model

Positive jaws effect¹ with a good containment of operating expenses

Cost of risk at a low level (31bps) – Solid financial structure (CET:13.6%)

€11,363m

Revenues (+3.3% vs Q2 2022)

€6,889m

Opex (+1% vs Q2 2022)

€689m

CoR (-19.7% vs Q2 2022)

LONG-TERM & SHORT-TERM RATINGS

A+/A-1

Standard & Poor's
Stable outlook 24 April 2023

AA-/F1+

Fitch
Stable outlook 3 July 2023

Aa3/ P-1

Moody's
Stable outlook 19 June 2023

AA (LOW)/ R-1 (MIDDLE)

DBRS
Stable outlook 21 June 2023

STOCK INFORMATION

LOCATION

EURONEXT PARIS

MARKET

EURONEXT PARIS

ISIN CODE

FR0000131104

Source: BNP Paribas S.A. Q2 2023 results; 1 Excluding the exceptional items (o/w extraordinary ones and excluding net income from discontinued activities (Bank of the West sold 01.02.23))

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RCS AT A GLANCE

BNP Paribas Personal Finance South Africa Ltd (“RCS”) is a leading South African non-bank, financial services provider.

R13.4bn

Gross debtors book

2m

Active customers

>30k

Total stores

- Largest provider of private label and co-branded retail card programs in South Africa
- Operations in South Africa, Botswana and Namibia
- Independent, unlisted, but highly-regulated financial services company

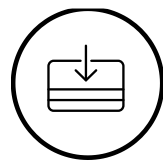
OUR PRODUCTS



Store Cards



Insurance



Banking



E-commerce

OUR ASSETS



Partnerships with largest retailers in South Africa



Diversified partners across various industry sectors



Diversified employee base of which 76% female

OUR COMMUNITIES & OUR PEOPLE



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RCS PORTFOLIO HEALTH & GRANTING RISK

Currency levels resilient and portfolio conservatively positioned

Cards currency at planned levels following reopening with RCS credit positioning remaining conservative in current macro-economic context.

Loans currency levels have improved after Covid 19 and remain at strong levels. CD3+ and early arrears levels are low.

Granting risk curbed through mitigation actions to protect the portfolio.

Cards Book Health

Month	Early arrears (%)	CD3+ (%)	Current (RHS) (%)
Dec-21	9.5	8.0	82.0
Feb-22	10.5	7.5	80.0
Apr-22	10.0	7.5	81.0
Jun-22	10.0	7.5	81.0
Aug-22	10.0	7.5	81.0
Oct-22	10.0	7.5	81.0
Dec-22	10.0	7.5	81.0
Feb-23	11.5	7.5	81.0
Apr-23	10.5	8.0	81.0
Jun-23	10.0	9.0	82.0

Loans Book Health

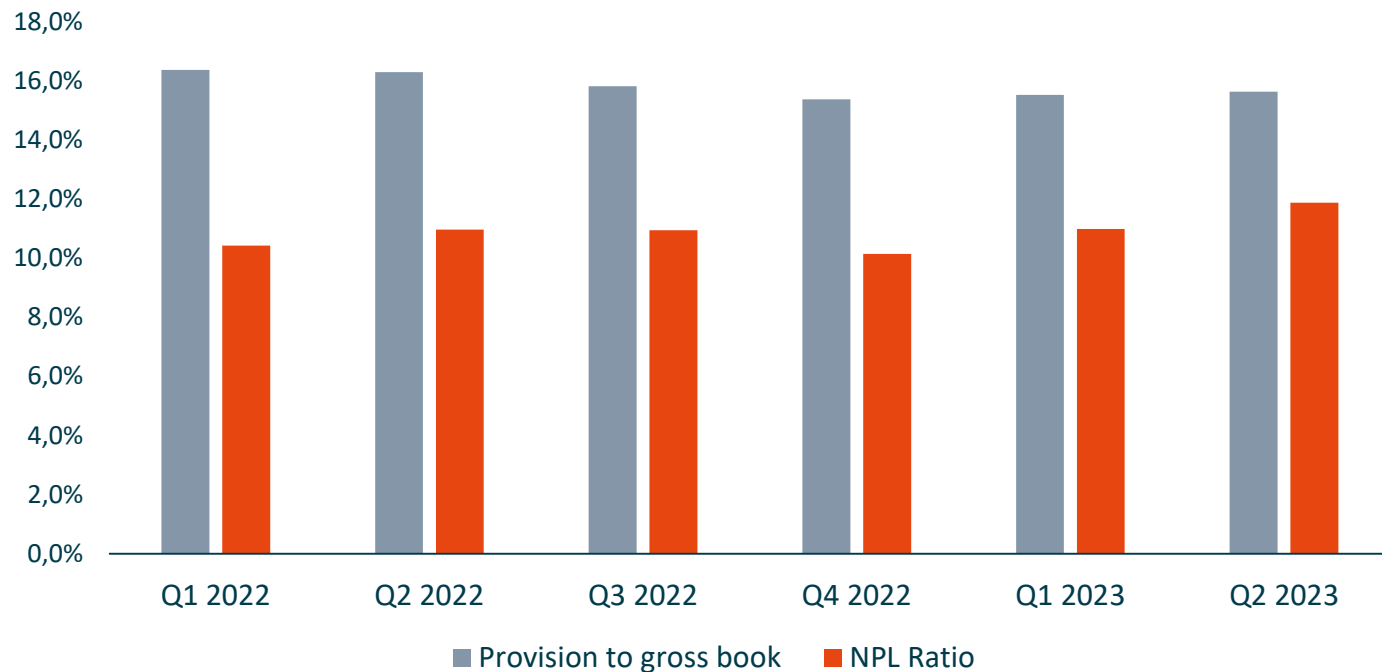
Month	Early Arrears (%)	CD3+ (%)	Current (RHS) (%)
Dec-21	6.5	18.5	75.0
Feb-22	8.5	17.5	73.0
Apr-22	7.5	16.5	75.0
Jun-22	8.5	15.5	76.0
Aug-22	7.5	15.5	78.0
Oct-22	8.0	14.5	77.0
Dec-22	7.5	13.5	79.0
Feb-23	9.5	13.5	77.0
Apr-23	8.5	13.5	78.0
Jun-23	8.5	13.5	78.0

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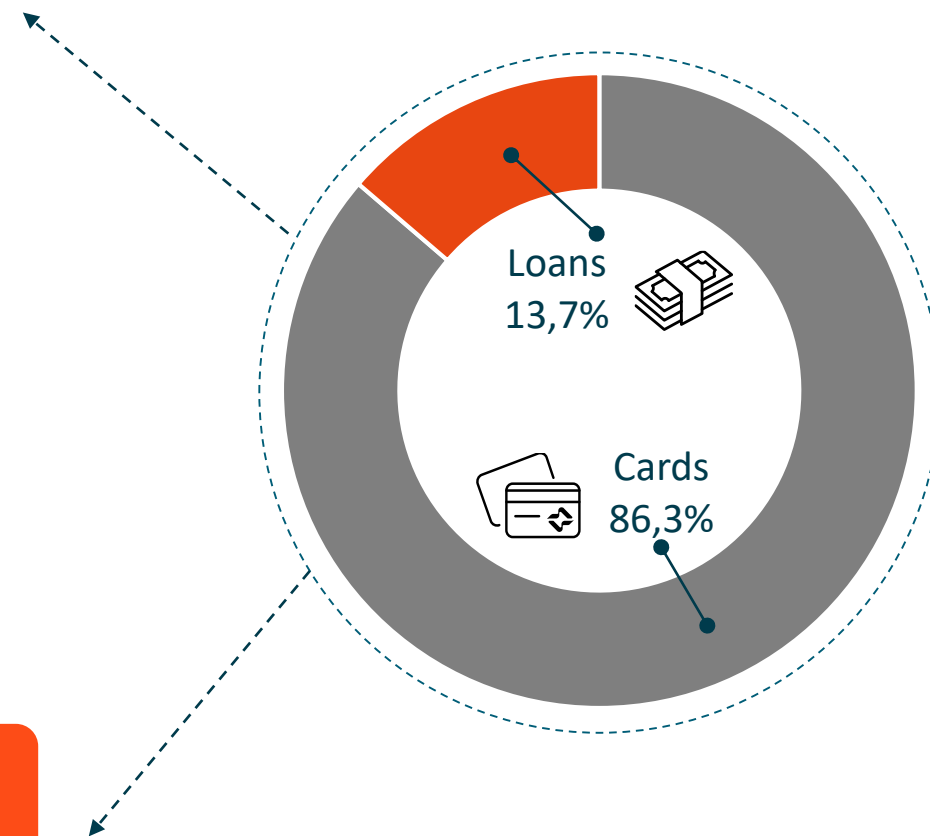
RCS ACTIVE BOOK AND NPL COVERAGE

Provision to Book & NPL Ratio



A bar chart comparing 'Provision to gross book' (grey bars) and 'NPL Ratio' (orange bars) across six quarters from Q1 2022 to Q2 2023. The y-axis represents percentages from 0,0% to 18,0% in 2,0% increments. The x-axis lists the quarters. The 'Provision to gross book' remains relatively stable, fluctuating between approximately 15,4% and 16,4%. The 'NPL Ratio' shows more variation, ranging from about 10,1% to 11,9%.

Quarter	Provision to gross book	NPL Ratio
Q1 2022	16,4%	10,4%
Q2 2022	16,3%	11,0%
Q3 2022	15,9%	11,0%
Q4 2022	15,4%	10,1%
Q1 2023	15,6%	11,0%
Q2 2023	15,7%	11,9%



A donut chart illustrating the composition of the active book. The chart is divided into two segments: 'Loans' (13,7%) represented by an orange segment with a stack of money icon, and 'Cards' (86,3%) represented by a grey segment with a credit card icon. Dashed lines with arrows connect the donut chart to the bar chart, indicating that the NPL Ratio data is broken down by these two asset classes.

Category	Percentage
Loans	13,7%
Cards	86,3%

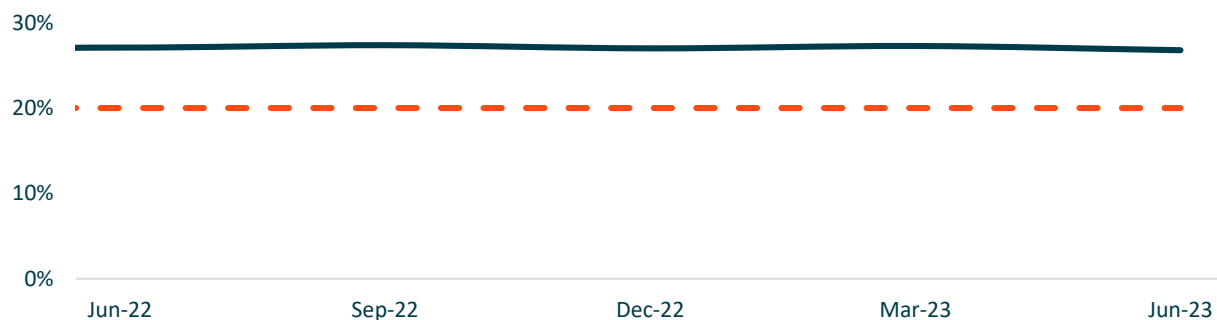
NPL coverage at 30 June 2023 exceeds 40%

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JUNE 2023 RESULTS IN LINE WITH EXPECTATION

RCS Group June results	June 2023 Rm	June 2022 Rm	% change
Net banking income (NBI)	1469	1322	11.1
Operating costs	(714)	(659)	8.4
Cost of risk	(586)	(432)	35.7
Profit before tax	168	231	(27.2)
Gross active debtors book	13 430	11 991	14.2

Maintaining capital adequacy levels in excess of 20%
June 2023: 26.8%



RCS STRATEGY



Diversify & strengthen
Partnerships



Expand E-commerce and
online offering



Continued leverage of existing
customer base



Grow non-interest revenue
through non-CPI insurance and
cellular business

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FUNDING MATURITY & SOURCES

- **R1.5bn** committed standby **liquidity facility** provided by BNP Paribas (France)
- R1.5bn undrawn available funding (excludes standby liquidity facility)
- RCS continues to have lines with all major bank funders in South Africa
- **S&P** programme rating: **zaAAA / zaA-1+ (July 2023)**

DRAWN FUNDING MATURITIES AT 31 JULY 2023

Excluding non drawn facilities such as back-up facility (BNPP France)

Maturity Period	Bank (R m)	Bonds (R m)	CP (R m)
< 3 months	~200	~1400	0
4 - 12 months	~1000	~2000	~500
1 - 2 years	~2400	~600	0
2 - 3 years	~1000	~300	0

Drawn funding diversification at 31 July 2023

Funding Source	Percentage
Bonds	44%
Bank 5	14%
Bank 2	11%
Bank 6	8%
CP	8%
Bank 7	2%
Bank 4	3%
Bank 3	3%
Bank 1	7%

Cash buffer of c.R980m maintained at 31 July 2023

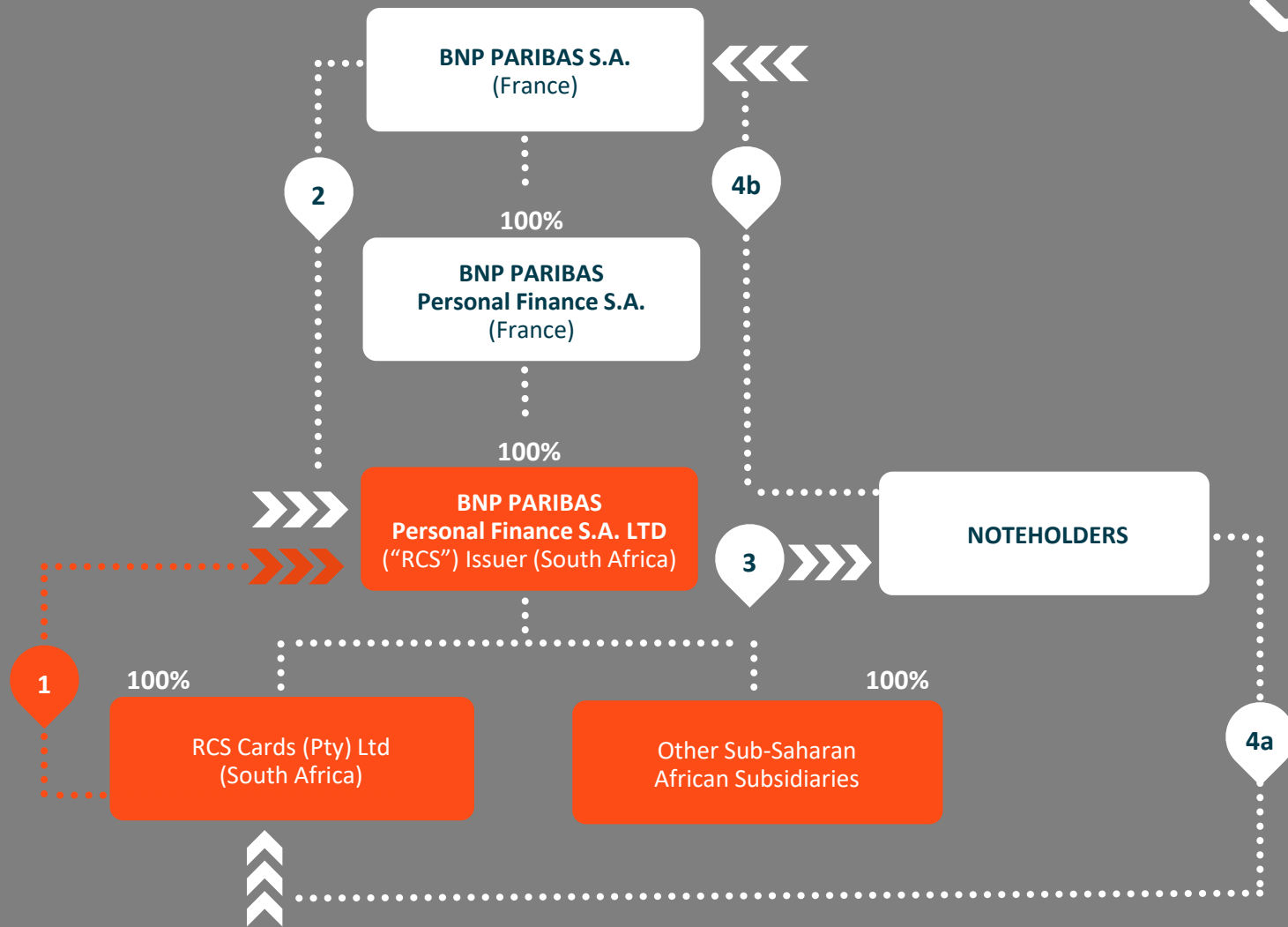
Facility Status	Percentage
Utilised facilities	87%
Unutilised facilities	13%

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APPENDICES



DMTN PROGRAMME MECHANICS



STEP 1:

RCS Cards provides an unconditional and irrevocable guarantee to the Noteholders for the due and punctual fulfilment of all payment obligations by the Issuer of all amounts owing by

STEP 2:

BNP Paribas provides a conditional and irrevocable guarantee for the due and punctual fulfilment of all payment obligations by the Issuer of all amounts owing by the Issuer in respect of the Notes issued.

STEP 3:

The Issuer will issue notes from time to time under the Programme.

STEP 4:

Where an Event Of Default occurs, Noteholders are entitled to claim against

- **4a** RCS Cards (after 3 business days without payment); and then
- **4b** BNP Paribas (after 2 business days without payment from RCS Cards under the guarantee)
- BNP Paribas is given 8 business days to pay Noteholders following valid receipt of a duly executed payment demand.

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THANK YOU



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