

30 April 2020

Impact of Covid-19 on BNP Paribas Personal Finance South Africa Ltd (“RCS”, “The Company”, “Group”)

Operations

In line with the government’s official guidelines, RCS is classified as an essential services provider. During this time of lockdown, RCS has an essential compliment of staff to perform the necessary functions to support our customers, whilst the health and safety of our staff is prioritised.

The measures introduced by the South African government to combat the outbreak have affected our retail partners’ operations through store closures and supply chain disruptions. Management believes that the outbreak may negatively impact the Group’s profitability for the 2020 financial year. This will depend on several elements including the financial health of our customers & retail partners and the efficiency of the governmental and financial support they will benefit from.

Edcon business rescue submission

In light of Edcon’s recent voluntary submission for business rescue, RCS remains committed to working closely with Edcon during this time.

RCS is actively working with Edcon to assist customers to responsibly manage their debt during this time. This commitment incorporates expanding the range of payment channels currently available such as EasyPay, which enables customers to make payments whilst doing their essential shopping in stores that remain open during this period, as well as, ATM, EFT, debit order and other digital payment options.

RCS is also investigating opportunities that will provide enhanced card benefits to customers to ensure they can continue to shop at Edgars and Jet stores whilst enjoying the benefits of additional features and utility.

Solvency & Liquidity

Upcoming 2020 funding maturities are predominantly intergroup lines with BNP CIB (Johannesburg branch) which will be refinanced on maturity as well as R1.3 billion Debt Capital Market notes. RCS has strengthened its cash buffer to safeguard the current liquidity capacity and cover any potential stress on future cash flows. Additionally, RCS maintains a R1.5bn committed standby liquidity facility provided by BNP Paribas.