

# BNP PARIBAS PERSONAL FINANCE SOUTH AFRICA LIMITED

JULY 2024



CREDIT | LOANS | INSURANCE

# BNP PARIBAS SA OVERVIEW



**183,000**

Employees

**63**

Countries

**€46,9bn**

In revenues

June 2024 results: Very good performance in Q2, and good trajectory expected for 2024

Strong revenue growth driven by the diversified and integrated model

Positive jaws effect<sup>1</sup> with continued implementation of operational effectiveness

Cost of risk at a low level (33bps) – Solid financial structure (CET1:13.0%)

**€12,270m**

Revenues (+3.9% vs Q2 2023)

**€7,176m**

Opex (+3.5% vs Q2 2023)

**€5,094m**

Gross operating inc (+3.4% vs Q2 2023)

## LONG-TERM & SHORT-TERM RATINGS

A+/A-1

Standard & Poor's  
Stable outlook 24 April 2023

AA-/F1+

Fitch  
Stable outlook 14 June 2024

Aa3/ P-1

Moody's  
Stable outlook 15 February 2024

AA (LOW)/ R-1  
(MIDDLE)

DBRS  
Stable outlook 20 June 2024

## STOCK INFORMATION

LOCATION

EURONEXT PARIS

MARKET

EURONEXT PARIS

ISIN CODE

FR0000131104

Source: FY 2023 AFS; BNP Paribas S.A. Q2 2024 results; 1 Excluding the phasing effect of the DGS contribution in Italy

# RCS AT A GLANCE

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



- 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



Credit Cards



Loans



Insurance



E-commerce



VAS

## OUR ASSETS



▶ Partnerships with the largest retailers in South Africa



▶ Diversified partners across various industry sectors



▶ Diversified employee base of which 76% are female

## OUR COMMUNITIES & OUR PEOPLE



JAGI Foundation



# 2024 LANDSCAPE



Macro-economic environment remains challenging with consumer spend impacted by inflation & interest rates



Focused commercial strategies alongside risk mitigations balancing our business growth



PBT on track to exceed 2023: business optimisations and transformation initiatives outstripping once-off PPA upside

## KEY INITIATIVES



**Diversification within Partnerships**



**Digital Payment & E-Commerce**



**Customer Centric Operating Model**



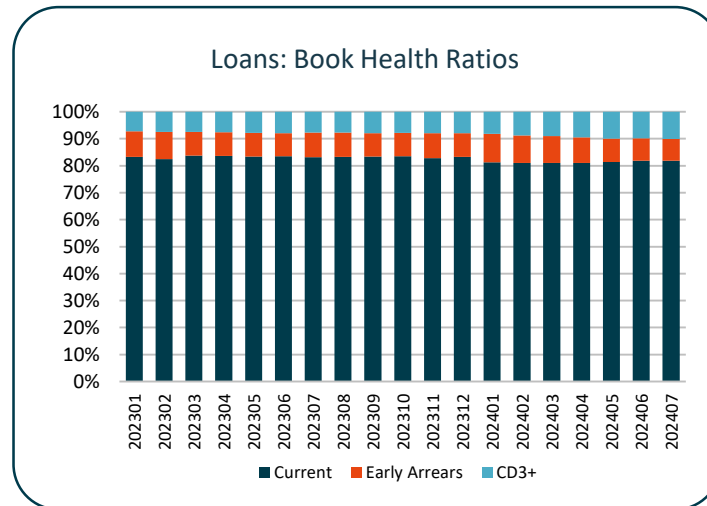
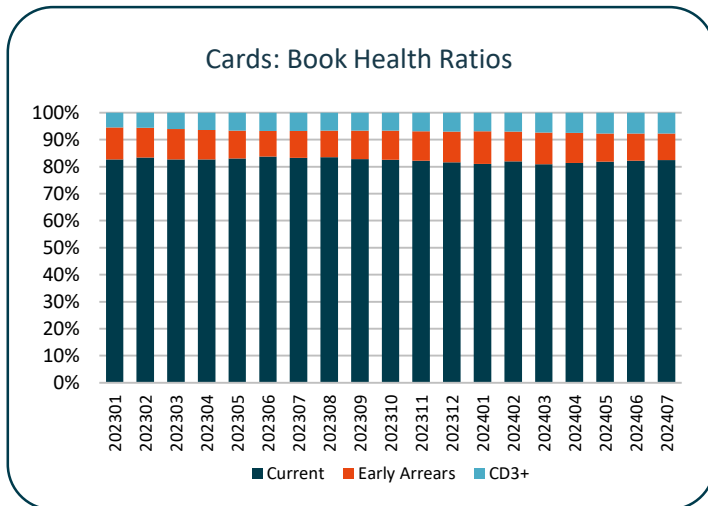
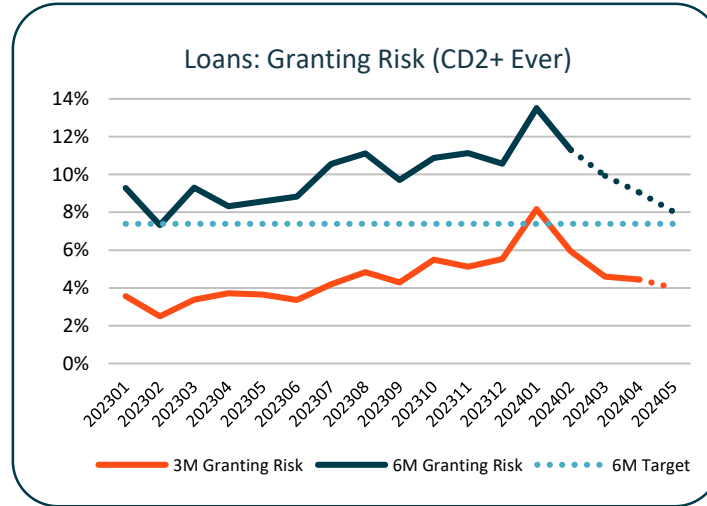
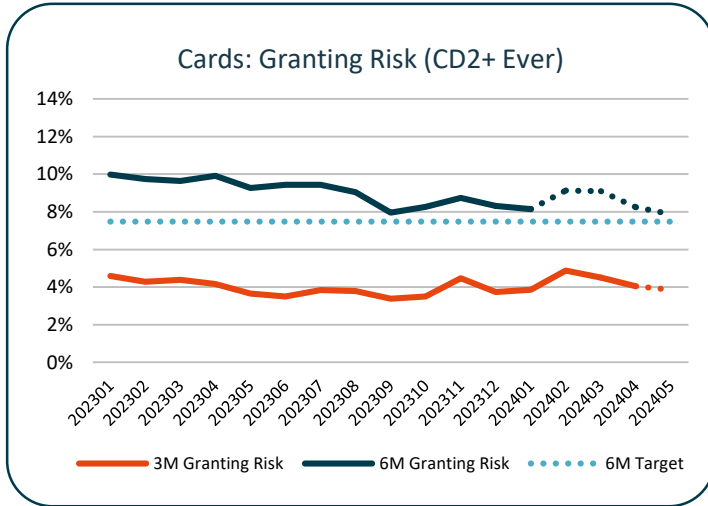
**Customer Number Growth**



**Re-Imagine**

# GRANTING RISK & PORTFOLIO HEALTH

Portfolio showing improvement following scoring/strategy changes

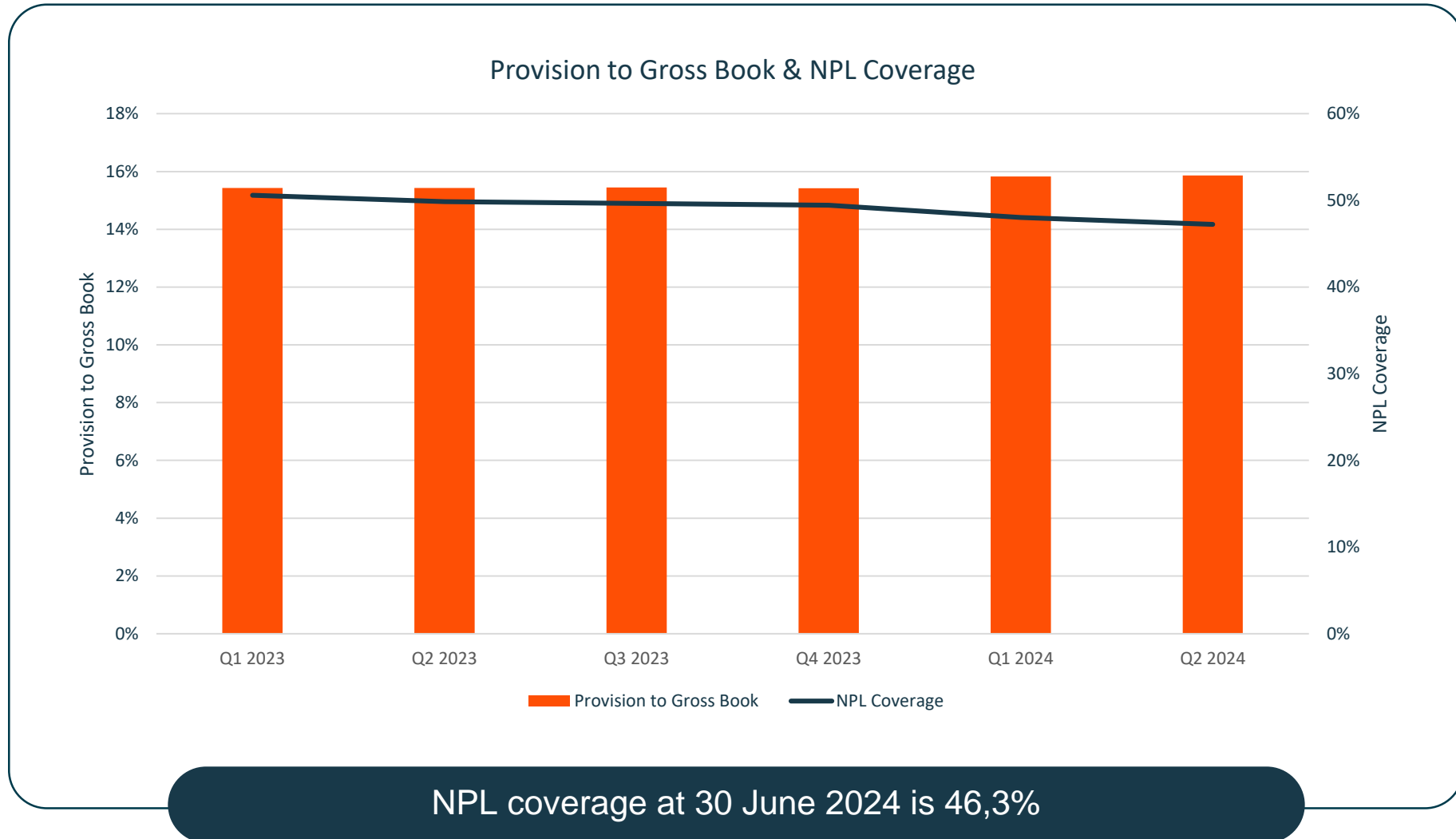


Cards have seen improvement in granting risk as a result of scoring and strategy refinements. Book health remains strong due to the mature existing base.



Loan granting risk is showing early signs of improvement as a result of scoring and strategy refinements. Currency levels remain strong and are improving due to the base.

# PROVISIONS AND NPL COVERAGE

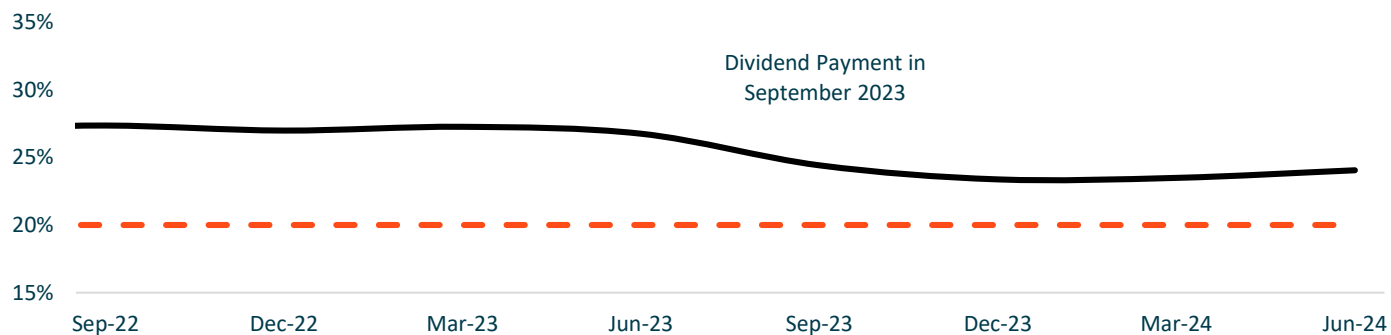


# JUNE 2024 RESULTS

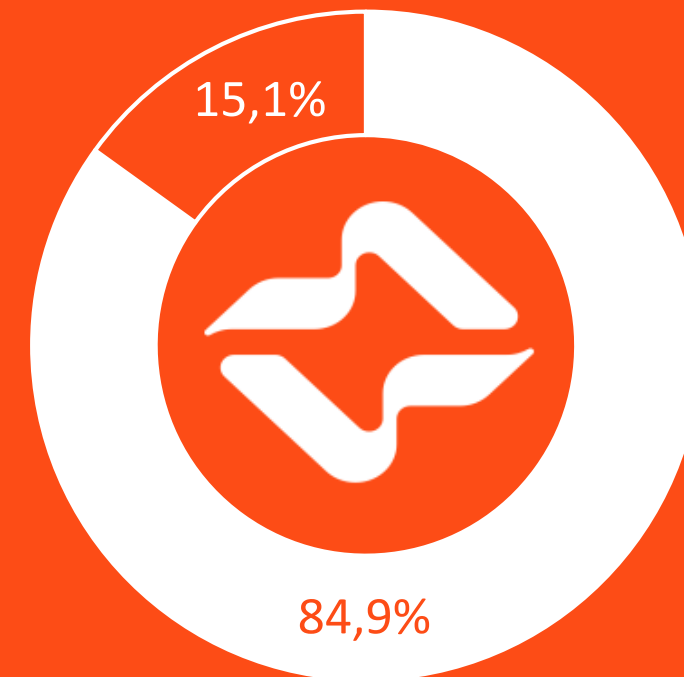
RCS Group June results	June 2024 Rm	June 2023 Rm	% change
Net banking income (NBI)*	1540	1393	10.5
Operating costs	(767)	(714)	7.4
Cost of risk	(618)	(584)	5.7
Profit before tax*	155	96	62.4
Gross active debtors book	14 038	13 140	6.8

\*excludes once off Edcon impact (R76m NBI and PBT)

Maintaining capital adequacy levels in excess of 20% - June 2024: 24.06%



LOANS

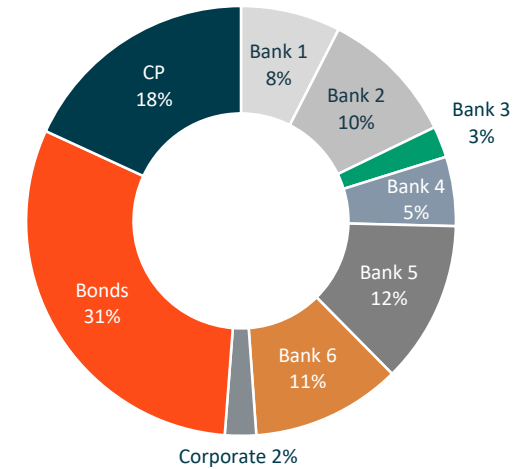


CARDS

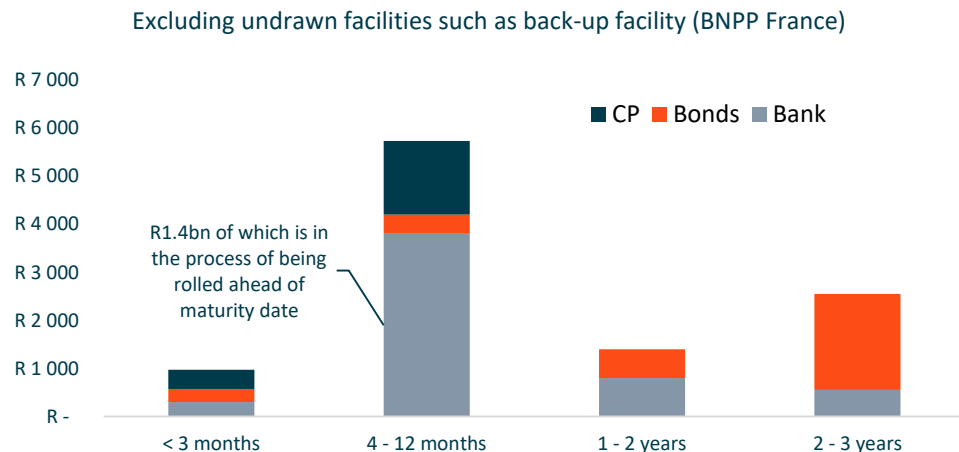
# FUNDING MATURITY & SOURCES

- **R1.5bn** committed standby **liquidity facility** provided by BNP Paribas (France)
- R1.3bn 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)**

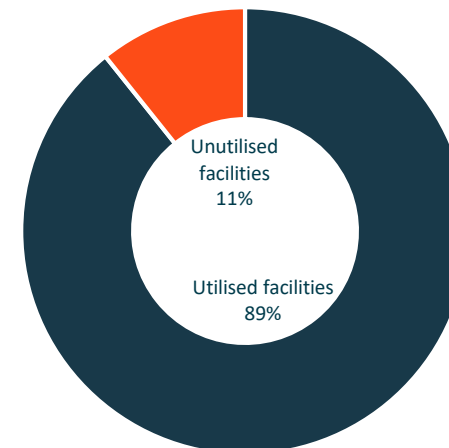
## Drawn funding diversification at 30 June 2024



## Drawn funding maturities at 30 June 2024



## Cash buffer of c.R927m maintained at 30 June 2024





# ISSUANCE CONSIDERATIONS



	Issuance Terms		
Issuer	BNP Paribas Personal Finance South Africa Ltd		
Guarantors	RCS Cards Proprietary Ltd and BNP Paribas S.A. (France)		
Listing	Interest Rate Market of the JSE Limited		
Issuance window	Q3 2024		
Target issuance volume for issuance window	ZAR750m – ZAR1bn across all notes		
Placement Methodology	TBD		
S&P rating	zaA-1+ (short-term rating) / zaAAA (long term rating)		
Structure	Commercial Paper	Bonds	Bonds
Term	(12 months)	(2 years)	(3 years)
Capital profile	Bullet	Bullet	Bullet
Interest profile	Floating rate	Floating rate	Floating rate

	Contact Details	
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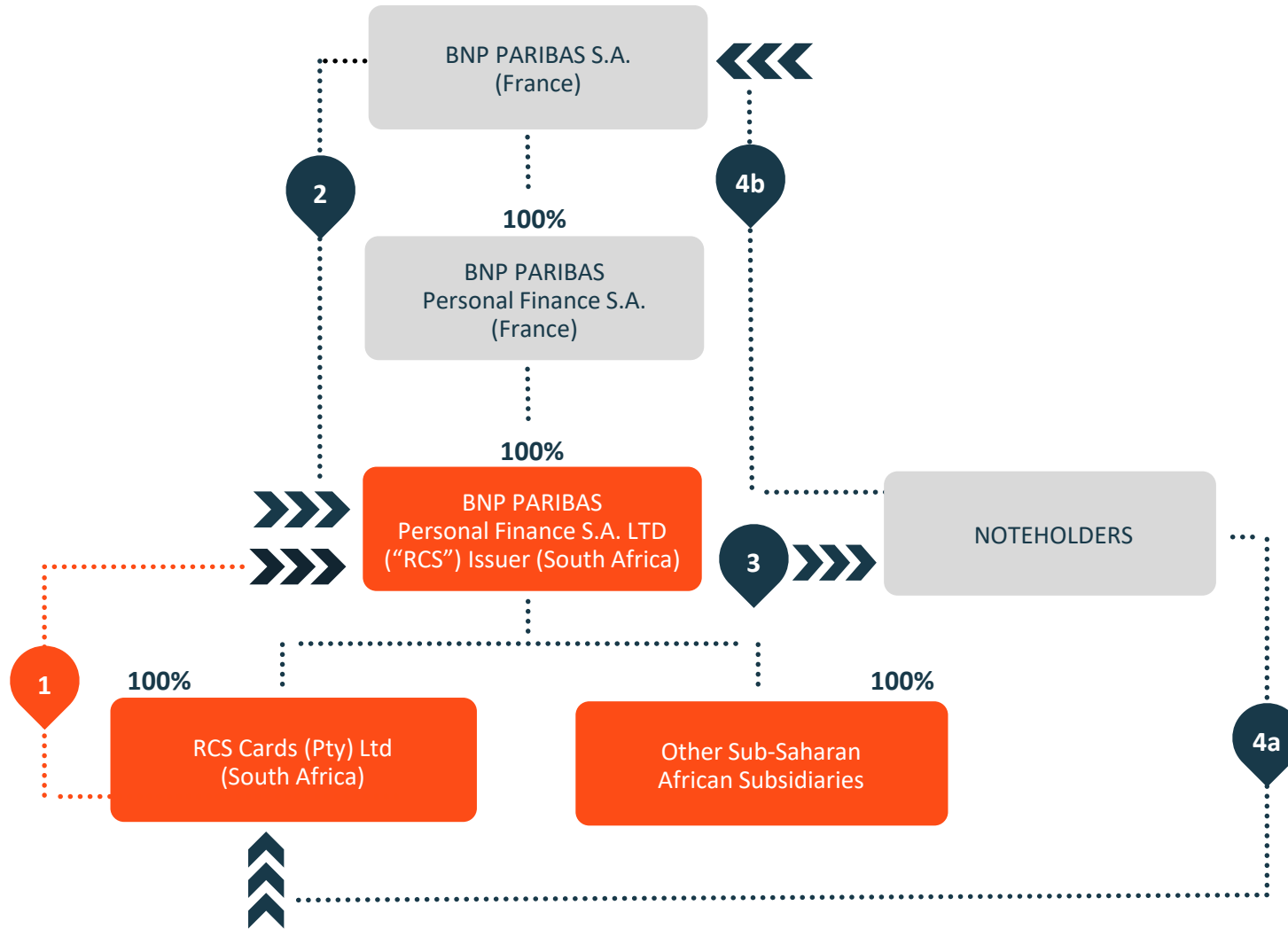


# APPENDICES



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# 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 the Issuer in respect of the Notes

## 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 the Guarantors in the following order:

- **4a** RCS Cards (after 3 business days without payment); and then
- **4b** BNP Paribas is (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

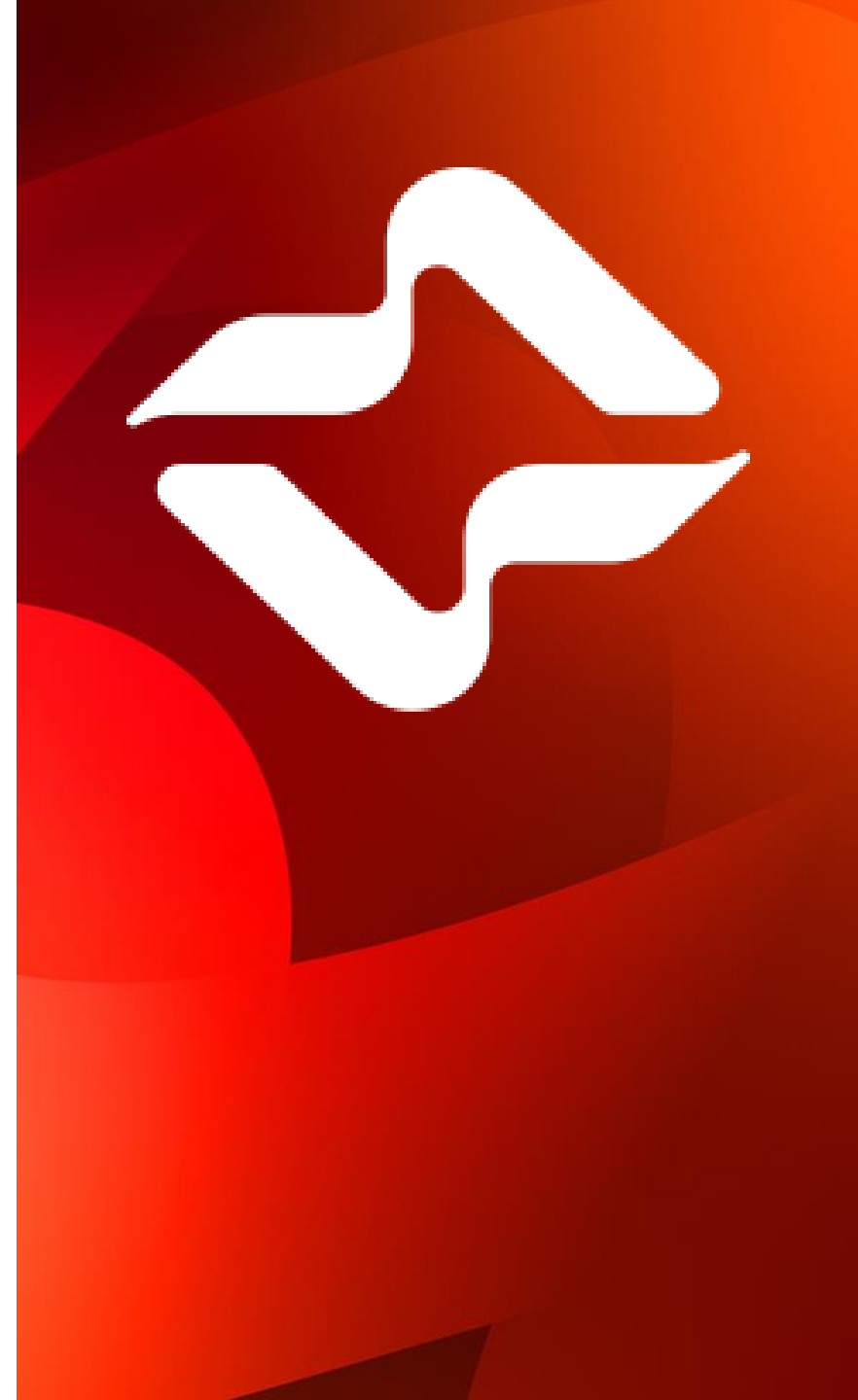
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