Vytis Reno Loans 2025-1 DAC

New Issue Rating report

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Related research

General Structured Finance Rating Methodology, February 2025

Consumer and Auto ABS Rating Methodology, March 2025

Counterparty Risk Methodology, June 2025

Ratings

Note class	Rating	Notional (EURm)	Notional (% assets[1])	CE (% assets)[2]	Coupon p.a.	Final maturity
Class A Notes (LT0000136418)	AAA_{SF}	81.2	50.6%	31.2%	3mE + 1.10%	Nov-2053
Class A Loan Notes	AAA_{SF}	31.1	19.4%		3mE + 1.10%	Nov-2053
Class B Notes (LT0000136426)	NR	51.0	31.8%	Over-issuance	1.00%	Nov-2053

[1]Pool nominal principal balance (excluding the cash reserve's funds)

[2]From subordination and cash reserve

Scope's quantitative analysis is based on the closing portfolio dated 25 July 2025 provided by the seller and its agents. Scope's Structured Finance Ratings constitute an opinion about relative credit risks and reflect the expected loss associated with the payments contractually promised by an instrument on a particular payment date or by its legal maturity. See Scope's website for the Scope Ratings Rating Definitions.

Transaction details	
Purpose	Funding
Issuer	Vytis Reno Loans 2025-1 DAC
Originator and servicer	UAB ILTE (ILTE)
Issuer account bank and paying agent	Citibank, N.A., London Branch (Citibank) AB Artea Bankas
Servicer collection account banks	Swedbank AB, AB Artea bankas, and Luminor Bank AS, Lithuania Branch
Interest rate hedge provider	Citibank Europe plc
Back-up servicer facilitator, corporate service provider and Note trustee	TMF Management (Ireland) Limited (TMF)
Closing date	17 December 2025
Payment frequency	Quarterly (15th of February, May, August and November)

The transaction is a static securitisation of multi-apartment building renovation loan receivables originated by ILTE to Lithuanian individual apartment owners. The EUR 160.5m initial pool of receivables comprises 24,982 loans to 12,542 individual borrowers.

Rating rationale (summary)

The ratings reflect: i) the legal and financial structure of the transaction; ii) the quality of the underlying collateral in the context of the Lithuanian macroeconomic environment; iii) the ability of the originator and servicer, ILTE; and iv) the issuer's exposure to the various transaction counterparties.

The rated instruments benefit at closing date from credit enhancement in the form of subordination, and a cash reserve fund.

The ratings account for the credit quality of the underlying portfolio. We have incorporated the credit performance and servicing track record of the originator with respect to renovation loan receivables and considered the stability of Lithuanian macroeconomic environment.

Counterparty risk does not constrain the maximum achievable rating on the rated notes.

Rating drivers and mitigants

Positive rating drivers	Negative rating drivers and mitigants
• **Very granular portfolio.** The underlying portfolio consists of loans to individual apartment owners and is highly granular. The portfolio is static, thus, obligor concentration will only increase in case of high prepayments from small obligors. • **Government-owned originator and servicer.** ILTE, a state-owned institution of systemic public-policy importance, ensures i) the consist application of eligibility criteria in the loan origination, ii) the confirmation and check of successful renovation completion, iii) the legal status of claims under loans, and iv) the consistent monitoring and servicing. (ESG factor)	• **Long remaining life of the portfolio.** As of the cut-off date, the underlying portfolio has a weighted average life of around 8.2 years, which exposes the transaction to the mid-term uncertainties of the Lithuanian economic environment. The risk is partially mitigated by the amortising nature of the assets and focus of the loans on the economic centres of the country. • **Limited recovery methods on defaulted loans.** The portfolio consists of unsecured renovation loans, and the servicer can only seek judicial process for loans which have not seen any payment for over 180 days. However, i) a typical relevant judicial process in Lithuania is generally short, and ii) the loan repayments are linked to the apartment, i.e., an apartment sale would require the agreement to cover-up the missed payments and continue the loan.

Upside rating-change drivers
A change to the levels or parameters of the transaction's key analytical assumptions based on observed performance or new data sources, significant changes to the transaction's collateral and structural features, and a change in Scope's credit views regarding the transaction's key rating drivers could impact the ratings. The sensitivity analysis described in section 6.2 provides an indication of the resilience of the credit ratings against deviations in key analytical assumptions.

Table of content

1. Transaction summary

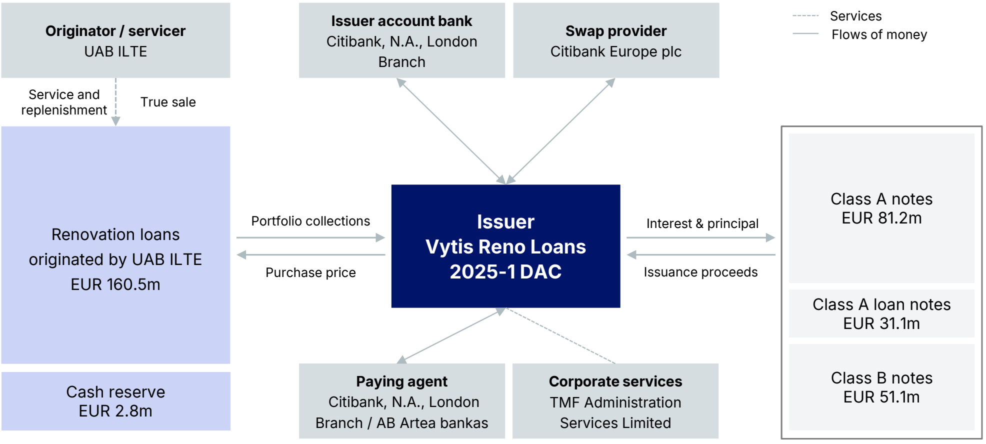
The transaction is a static securitisation of a highly granular EUR 160.5m portfolio of renovation loan receivables originated by UAB ILTE to individual apartment owners of multi-apartment buildings in Lithuania. As of the cut-off date of 25 July 2025, the underlying portfolio consists of 24,982 monthly or semi-annual-paying consumer loan receivables granted to 12,542 individual borrowers domiciled in Lithuania. The loans initially carried a 20-year term and featured an initial 18 to 24-month grace period during which no payment is due. Each loan received a state grant equal to 30% of its original principal, which is not part of the securitised assets. The issuer also acquires the right to a payment that reflects the deferred interest accrued during the grace period, which repays in equal instalments over the remaining term.

The transaction features two pari passu senior notes, class A loan notes and class A notes (together the class A instruments), and the junior class B notes. The class A instruments benefit from: i) structural credit enhancement from subordination; ii) a strict sequential amortisation; iii) a fully funded cash reserve which provides liquidity and loss protection; and iv) a banded interest rate swap contracted with Citibank Europe plc.

The noteholders are exposed to the following key counterparties: i) UAB ILTE as originator and servicer; ii) Citibank, N.A., London Branch as issuer account bank and paying agent; and iii)

Citibank Europe plc as interest rate hedge provider. Also, ILTE uses three banks in the country as collection account banks, which add commingling risk (see page 1, 'Transaction details').

Figure 1: Simplified transaction diagram



Source: Transaction documentation

2. Macroeconomic environment and sovereign risk

Supportive macroeconomic environment

Borrowers benefit from Lithuania's generally supportive macroeconomic backdrop — steady, mid-single-digit growth in recent years, low unemployment and moderating inflation have helped household balance sheets and labour-market resilience. This economic setting is complemented by EU and national policy support, which together strengthen cash-flow sustainability and reduce downside risk for loans secured on multi-apartment building modernisation projects.

2.1 Macroeconomic indicators

We expect 2.8% GDP growth for 2025 in Lithuania, while inflation is expected to increase to 3.9% in 2025 and drop to 2.4% the year after. Unemployment is expected to marginally diminish in 2025 to 6.9%, which is still slightly above the European average.

For comparison with European peers, see our latest economic outlook publication.

2.2 Sovereign risk

Sovereign risk does not limit the instrument's rating. The risks of an institutional framework meltdown or legal insecurity are immaterial for the rating.

For more insight into our fundamental analysis of the Lithuania's economy, see our latest publication on the sovereign.

3. Originator and seller

ILTE is Lithuania's state-owned national development bank

ILTE is Lithuania's state-owned national development bank, fully owned by the Republic and operating as the primary channel for large public programmes. Its mandate is policy-driven rather than profit-driven, and recent consolidation of several national agencies under ILTE, together with significant state capital injections, have expanded its balance sheet and mandate while strengthening its public-policy backing and access to preferential funding.

The originator benefits from experienced staff, well-established procedures, and close coordination with government and EU programme administrators. For the multi-apartment building renovation programme, under which the securitised loan receivables were originated, ILTE applies prudent eligibility checks, energy-efficiency verification, standardised loan documentation, and a disciplined monitoring of collections.

3.1 Business positioning

ILTE is Lithuania's leading national development agency and a bridge between public policy and private capital. With a broad client base including businesses, municipalities, and the public sector, and a EUR 1.4bn asset portfolio, ILTE is positioned as a proactive direct lender and market partner aimed at expanding access to finance and making a substantial contribution to national GDP growth.

3.2 Sanctioning and underwriting

Underwriting process balances public investment objectives, regulatory compliance and credit risk control

As originator for the multi-apartment building renovation programme, ILTE operates a digital and tightly-governed sanctioning and underwriting process that balances public investment objectives, regulatory compliance and credit risk control. Applications are submitted via ILTE’s self-service portal and digital systems, and the entire workflow captures documentation, runs sanctions (EU/US) and bankruptcy screenings, and produces a risk profile that is reviewed and signed off at an approval level commensurate with contract size, borrower and project risks.

Eligibility checks ensure a certain credit quality and renovation standard. For a renovation to be eligible for financing under the programme, the following criteria among others have to be complied with:

- At least 80% of the construction works target energy efficiency improvements;
- At least 55% of the apartment owners have consented to the financing under the programme; and
- At maximum 10% of the apartment owners are more than 90 days overdue with amounts more than 300 EUR.

ILTE assesses the entire renovation project, including scope, budget, procurement compliance and implementation timeline. The bank also performs a contractor due diligence. Decisions are issued as pass, conditional financing letter or rejection; final loan execution follows verification of all preconditions and use of standardised loan templates (non-standard terms require legal review).

All documentation, workflows and pre-disbursement impact monitoring are tracked in ILTE's systems to ensure auditability; manual intervention is reserved for document verification, conditional case review and exception handling.

3.3 Servicing and recovery

Recovery framework prioritises timely collection and early remediation

ILTE’s servicing and recovery framework prioritises timely collection and early remediation while reserving judicial enforcement as a last resort. Collections operate under two models: i) owners pay ILTE directly; or ii) owners pay an administrator who aggregates receipts and forwards funds to ILTE. Under the second model funds held on the administrator’s collection account are legally owned by the borrowers, and therefore insulated from the administrator’s creditors in the event of its insolvency. A dedicated collection account is opened per building; deposits with Lithuanian banks and credit unions benefit from depositor insurance up to EUR 100,000. Local municipality make repayments of the loans on behalf of certain low-income borrowers who qualify for housing heating subsidies.

Delinquency management follows a tiered contact rhythm, depending on 1 to 90 days-past-due (dpd), and ILTE initiates direct recovery for loans more than 90 dpd. Interest and penalties accrue on overdue amounts; loans are not restructured and remain subject to original instalment schedules. Loans exceeding 180 dpd and with outstanding debt above EUR 500 are escalated to court action. All loans reaching 180 dpd are marked “defaulted” and subsequent receipts are treated as recoveries.

Judicial enforcement is narrowly targeted, i.e. only overdue amounts can be claimed in the process. The typical process progresses through claim filing, possible objection/hearing, judgement, issuance of writ of execution and bailiff enforcement (attachments of wages, funds or enforceable property rights where permitted). Typical court enforcement duration is two to three months. As of the cut-off date of 25 July 2025, 18% of the portfolio are in the 1-30 dpd bucket and no loans are in judicial process.

4. Portfolio characteristics

Our analysis is based on the closing portfolio with cut-off date 25 July 2025.

The EUR 160.5m portfolio consists of fixed-rated renovation loans, which follow a French amortisation profile during the remaining term to maturity. The current outstanding loan balance reflects the deduction of the 30% state subsidy. With the loans, the issuer also acquires the right to an extra cash-flow reflective of the interest accrued during the grace period split into monthly equal instalments until maturity.

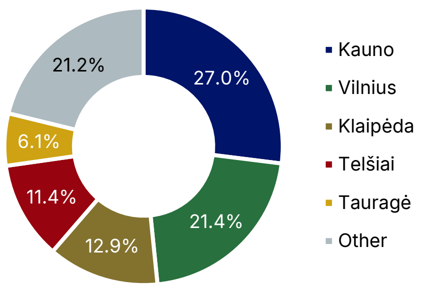
The issuer benefits from a positive portfolio selection, as neither defaulted loans nor more than 30 days delinquent loans are added to the portfolio.

4.1 Securitised portfolio

Closing portfolio is highly granular

The closing portfolio is highly granular with 24,982 loans to 12,542 individual borrowers. The five largest borrowers in the pool account for 0.88% of the outstanding balance (see 0 for further detail and information on the closing portfolio). Additionally, the regional diversification is reflective of Lithuania economic centres and population density (see Figure 2).

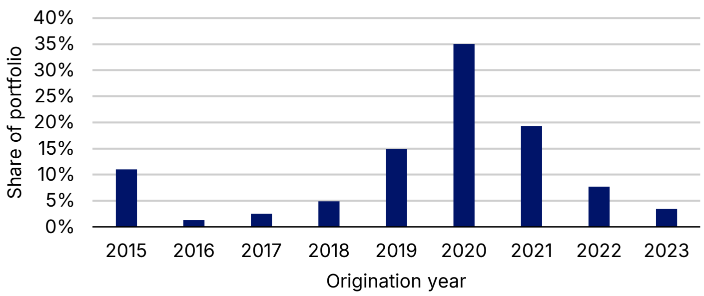
Figure 2: Regional distribution of the closing portfolio



Source: Transaction data tape and Scope Ratings' data aggregation

The loans were mainly originated around 2020 (69.3% originated from 2019 to 2021). The weighted average seasoning of the portfolio is 5.5 years and the weighted average remaining term to maturity is 14.5 years.

Figure 3: Distribution by year of origination



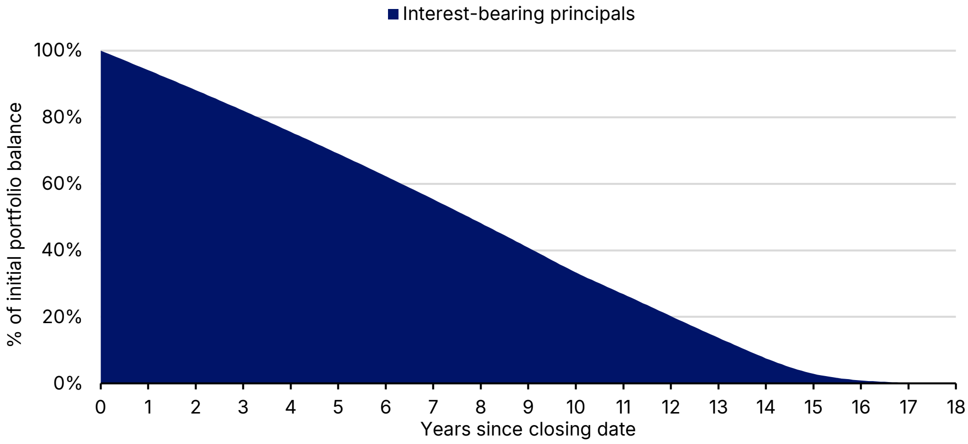
Source: Transaction data tape and Scope Ratings' data aggregation

4.2 Amortisation profile

Granular French amortising loan portfolio

The considered amortisation profile is reflective of the French amortisation schedule of interest-bearing principals during the remaining term to their respective maturity.

Figure 4: Portfolio amortisation profile of the closing portfolio (zero defaults and zero prepayments)



Source: ILTE and Scope Ratings' data aggregation

4.3 Portfolio modelling assumptions

Table 1: Portfolio modelling inputs for the portfolio at closing

	Portfolio
Mean lifetime default rate	8.0%
Coefficient of variation	40.0%
Base case recovery rate	95.0%
AAA rating-conditional recovery rate	57.0%
Time to recoveries on defaulted assets	10% p.a. for 10 years
Base case constant prepayment rate	2.0%
Modelled portfolio yield	3.35% for current outstanding balance, subject to 10 basis points yield compression phased in over 24 months
Senior fees and expenses	1.0% of non-defaulted pool balance, floored at EUR 200k p.a.

Source: Scope Ratings

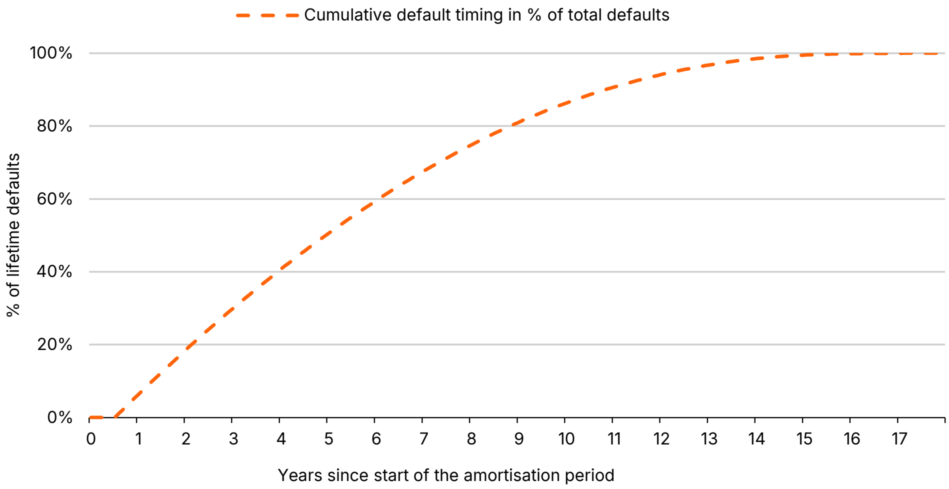
4.3.1 Default rate analysis on portfolio

Default assumptions reflect historical performance

We assumed that the lifetime '180 days past due' default rate applicable to the portfolio follows an inverse gaussian distribution with a mean default rate of 8.0% and a coefficient of variation of 40.0% (Table 1). These assumptions consider the originator's renovation loan book's historical performance.

We have defined as base case a default timing scenario with a constant marginal default rate applied to the outstanding balance at each period, hence following the portfolio's scheduled amortisation.

Figure 5: Normalised default timing



Source: Scope Ratings

4.3.2 Recovery rates

ILTE has presented recoveries in the form of vintage data that are reflective of the unsecured renovation loans' recovery performance. We note that observed recovery rates for the originator's book are very consistent across vintages. Since any loan overdue more than 180 days will be marked as defaulted and any subsequent instalments on defaulted loans will be recognised as recoveries, the recovery vintage data exhibit quite linear patterns.

Reperformance of contracts recognised as recoveries

We have analysed the recovery vintage data and derived recovery rate assumptions applicable to the portfolio as per Table 2.

We have stressed our recovery assumptions by applying rating-conditional recovery haircuts.

Table 2: Rating-conditional recovery haircuts and recovery rate

Rating category	B	BB	BBB	A	AA	AAA
Recovery haircut	0%	8%	16%	24%	32%	40%
Rating-conditional recovery rate	95.0%	87.4%	79.8%	72.2%	64.6%	57.0%

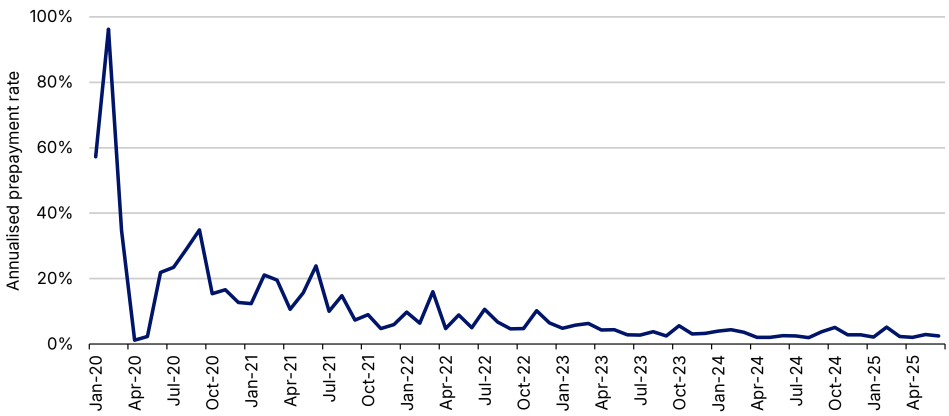
Source: Scope Ratings

4.3.3 Constant prepayment rate (CPR)

We determined a base case constant prepayment rate (CPR) of 2.0%, in line with historical prepayment rates observed in the originator's book. We also tested the structure under two additional CPR scenarios: 0% for the low prepayment scenario and 5% for the high prepayment scenario. The high prepayment scenario is close to the peak levels observed in the originator's book since 2023. Since high prepayment rates were more often observed shortly after the 18 to 24 months grace period and the weighted average seasoning of the portfolio is 5.5 years, moderate prepayment rates are more likely to be expected in the future.

Prepayments are limited, reflecting the subsidised nature of the loans

Figure 6: Historical prepayment rates



Source: ILTE and Scope Ratings' data aggregation

4.3.4 Portfolio yield

The portfolio yield is reflective of the 3% contractual interest on the currently outstanding portfolio balance and the additional payment derived from the interest that has accrued during the respective loan's grace period. We do not incorporate the likely increase of the periodic portfolio yield from the additional payments.

Table 3: Portfolio yield assumptions

	Nominal amount (EUR)	Asset yield assumption
Currently outstanding portfolio	160,454,972	3.35%*

* It is a point-in-time weighted average value that also incorporates the payments from the accrued interest during the grace period.
Source: ILTE and Scope Ratings' data aggregation

We considered a 10 basis points yield compression to account for the risk of the highest yielding loans defaulting or prepaying early.

5. Financial structure

5.1 Capital structure

Integrated waterfall protects the rated instruments

The capital structure features the senior class A instruments and the junior class B notes. The issuer uses all proceeds from the issuance of class A instruments and part of proceeds from the issuance of the class B notes to purchase the underlying renovation loans portfolio from ILTE. The remaining proceeds from the issuance of class B notes are used to fully fund the cash reserve at closing date.

The transaction employs split interest and principal priority of payments with a principal borrowing mechanism. Through the PDL mechanism, excess spread after refilling the cash reserve (if any) can be used to reduce the debit amount of class A instruments' PDL account. Correspondently, principal receipts can also be used to cover senior interest items until and excluding the cash reserve top-up, in case of insufficient interest proceeds.

5.2 Cash reserve

Cash reserve protects liquidity of the structure

At closing date, the issuer funds the cash reserve for an amount equal to EUR 2.8m. i.e. 2.5% of class A instruments' initial principal balance. The cash reserve's target amount is defined as 2.5% of class A instruments' outstanding principal balance, subject to a floor of EUR 500,000. As a result, the cash reserve target amount will decrease as class A instruments amortise until it reaches the contractual floor. At every payment date, the reserve funds are part of the available revenue receipts and are replenished from interest proceeds.

5.3 Priority of payments

Integrated priority of payments protects rated notes

The transaction employs split interest and principal priority of payments with a principal borrowing mechanism, which protects the rated notes against interest shortfalls. Principal collections from assets, after exhausting all issuer available revenue funds, can be redirected to pay timely senior costs, hedge costs and class A instruments' interest.

Upon the occurrence of an issuer event of default, the outstanding interest and principal of class A instruments will immediately become due and payable by the issuer and it will trigger the post-enforcement priority of payments.

Table 4: Simplified available funds and pre- and post-enforcement priority of payments

	Issuer priority of payments
Revenue available funds	• Interest collections from the portfolio; • Any interest earned on the issuer account bank; • Any collections from interest that accrued during the loans' grace periods; • Any amounts received from the swap counterparty; • Any amounts on the issuer cash reserve; and • Any amounts recovered in respect of defaulted loans.
Principal available funds	• Principal collections from the pool; and • Any amounts credited into the class A and B PDLs.
Pre-enforcement interest priority of payments	Quarterly payment of all issuer's revenue available funds: 1) Taxes, senior fees and expenses (senior costs); 2) Senior hedge costs; 3) Class A instruments' interest; 4) Top-up of the issuer cash reserve to its target level; 5) Reduction of the debit balance on class A PDL; 6) Class B notes' interest; 7) Reduction of the debit balance on class B PDL; 8) Subordinated items.
Pre-enforcement principal priority of payments	Quarterly payment of all issuer's principal available funds: 1) Cover any shortfalls related to senior costs (item 1), senior hedge costs (item 2), class A instruments' interest (item 3) in the pre-enforcement interest priority of payments; 2) Class A instruments' principal balance until fully repaid; 3) Class B notes' principal balance until fully repaid; 4) Subordinated items.
Post-enforcement priority of payments	The post-enforcement priority of payments is triggered by the occurrence of an issuer event of default. An issuer event of default occurs if there is a non-payment of timely interest on any payment date on the class A instruments. Quarterly application of all issuer's revenue and principal available funds: 1) Taxes, senior fees and expenses; 2) Senior hedge costs; 3) Class A instruments' interest; 4) Class A instruments' principal balance until fully repaid; 5) Class B notes' interest; 6) Class B notes' principal balance until fully repaid; 7) Subordinated items.

Source: Transaction documents and Scope Ratings

5.4 Amortisation and provisioning

Turbo amortisation helps to de-risk the transaction quickly

The notes start to amortise after closing of the transaction. The periodic amortisation follows a "turbo amortisation" mode, i.e. all principal available funds are used to amortise the outstanding balance of class A instruments' then of class B notes in sequential order.

Excess spread left after the cash reserve top-up, if any, is used to provision for defaults and amortise the issued instruments.

5.5 Interest rate hedge

Interest rate swap with Citibank mitigates interest rate mismatch

The rated instruments benefit from a banded fixed-floating interest rate swap that the issuer enters into with Citibank Europe plc. The initial swap notional is equal to the class A instruments' initial balance (EUR 113.2m), and the issuer pays 3.275% to the swap counterparty in exchange for receiving 3-month Euribor, on a quarterly basis. The swap notional is conditional on two performance bands of the underlying portfolio – constant default rate (CDR) and CPR. As long as the portfolio's CDR and CPR stay within specified bands, the swap notional is equal to the class A instruments' outstanding balance, which fully mitigates the interest rate risk. On the contrary, if the performance indicators migrate beyond the corresponding bands, the swap notional is capped or floored at certain amount leaving the class A instruments under- or over-hedged.

The contract foresees the exchange of net payments, collateralisation and replacement provisions for Citibank Europe plc, should the bank's credit quality deteriorate below certain rating thresholds.

5.6 Excess spread

Excess spread to support the senior instruments is limited

The excess spread in this transaction is negative at about -0.31% at closing date, considering i) the portfolio yield, ii) expected senior costs, iii) costs for the interest rate hedging, and iv) the interest on the class A instruments.

5.7 Issuer accounts

The issuer holds all its accounts with Citibank. The issuer accounts include: i) the transaction account with different ledgers for reserves and reinvestments, amongst other; and ii) the cash reserve account. The issuer accounts are all subject to downgrade and replacement language upon loss of a minimum long-term rating or short-term rating.

We did not consider any interest earned on the accounts, though an interest is agreed considering euro-short-term interest rate minus a margin.

6. Cash flow analysis and rating stability

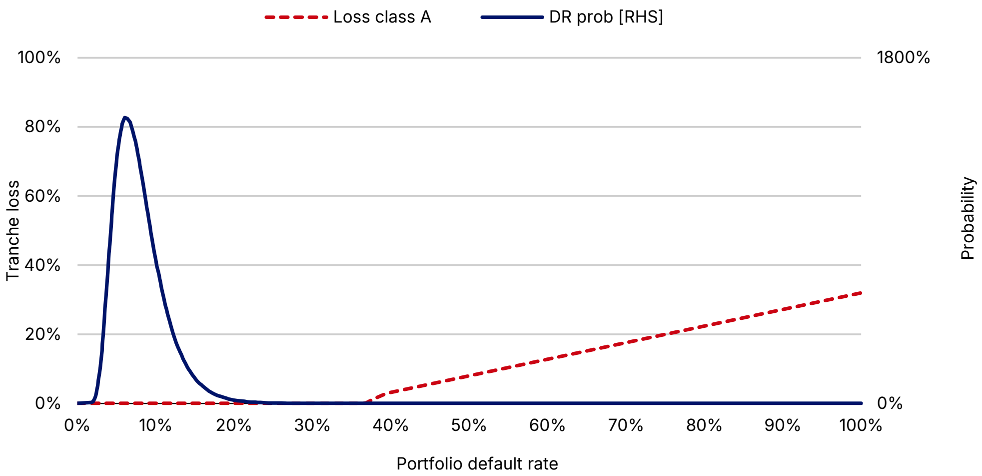
6.1 Cash flow analysis

Senior instruments are well protected from portfolio losses

Our cash flow analysis considered the portfolio's characteristics and the transaction's main structural features. We applied our large homogenous portfolio approximation approach when analysing the granular collateral pool and calculating cash flows over its amortisation period. The cash flow analysis considers an inverse Gaussian default distribution to calculate the expected loss and the expected weighted average life of the rated notes.

Figure 7 shows how subordination and excess spread protect the class A instruments.

Figure 7: Class A instruments' losses under AAA-conditional assumptions and expected CPR



Note: The probabilities displayed on the right-hand axis should be considered in the context of probability density calculations.
Source: Scope Ratings

6.2 Rating sensitivity

Rating shows high level of resilience to adverse stress scenarios

We have tested for deviations in the main input parameters: i) the mean default rate; and ii) the base case recovery rate. This analysis has the sole purpose of illustrating the sensitivity of the rating to input assumptions and is not indicative of expected or likely scenarios.

Table 5: Sensitivity analysis results for class A instruments

Sensitivity scenario	Sensitivity in notches
50% increase of mean lifetime default rate	Zero
50% decrease of recovery rates	Zero

Source: Scope Ratings

7. Counterparty risk

Counterparty risk does not limit the ratings

The counterparty roles performed by i) the servicer ILTE, ii) the issuer account bank and interest rate swap provider Citibank are considered material, before accounting for available mitigants. The credit quality of the involved parties and the transaction's downgrade and replacement language over the issuer account bank and the interest rate swap provider are effective at mitigating counterparty risk for this transaction, with the remaining risk being considered immaterial or reflected in the quantitative modelling.

In case of a servicer disruption event, the transaction cash reserve would be able to cope with several months of due senior costs and class A instruments' interest costs. There is no back-up servicer contracted, but TMF acts as back-up servicer facilitator to help contracting a successor servicer.

7.1 Commingling risk from servicer/collection account bank

Long cash-sweep period

The transaction is exposed to commingling risk from two sources, i) ILTE and ii) the collection account banks. We sized a 0.5% loss to the collateral balance, reflective of the involved parties' credit qualities, and the amounts exposed, accounting for the relatively long cash-sweep period of one month.

7.2 Set-off risk from originator

Immaterial set-off risk

We consider the set-off risk in the context of this transaction immaterial.

The transaction benefits from the following set-off risk mitigants: i) the credit quality of the originator derived from public information; ii) the legal setup, which limits set-off rights for the borrowers, particularly upon notification of claim transfer; and iii) the lack of systematic set-off exposure.

8. Legal structure

8.1 Legal framework

Three legal regimes govern the relevant parts of the transaction

The transaction is governed by three legal regimes. The loans were granted under Lithuanian law and so is the sale of the loan receivables to the issuer. The issuer is an Irish securitisation vehicle under Irish law, managed and represented by its directors.

The main transaction documents are generally governed by English law.

8.2 Use of legal and tax opinions

We have received legal opinions from Advokatų kontora TEGOS which provides legal comfort on the bindingness, validity and enforceability of the provisions in the loan sale agreement under Lithuanian law.

Regarding the incorporation of the issuer and the provisions of the English law transaction documents, we received Irish law and English law legal opinions from Dentons, which support our fundamental legal assumptions. We also received tax opinions with respect to Irish tax law from Dentons that confirm the tax neutral setup, with at most minimal taxes applicable, as found in other structures with similar setup in Ireland.

9. Monitoring

We will monitor this transaction based on performance reports from the servicer, as well as other available information. The rating will be monitored continuously and reviewed at least once a year, or earlier if warranted by events.

Scope analysts are available to discuss all the details surrounding the rating analysis, the risks to which this transaction is exposed and the ongoing monitoring of the transaction.

10. Applied methodology and data adequacy

Granular historical performance data available

We analysed this transaction using our Consumer and Auto ABS Rating Methodology dated March 2025, our General Structured Finance Rating Methodology dated February 2025, and our Counterparty Risk Methodology dated June 2025. All are available on our website, www.scoperatings.com.

The originator provided us with default and recovery data. The default data was segmented by monthly vintage of origination, reflecting contracts that ILTE considered defaulted. The default data covers a period from January 2020 to June 2025, and is generally granular. The recovery data was also segmented by monthly vintages of defaulted loans. The data covers a period from July 2020 to June 2025. The recovery data is less granular but still reflects the consistent sound historical performance of the originator's loan book.

We also received a detailed line-by-line portfolio data tape and related stratification tables with cut-off date 25 July 2025.

ILTE provided data that is adequate in terms of time period covered and asset type relevance.

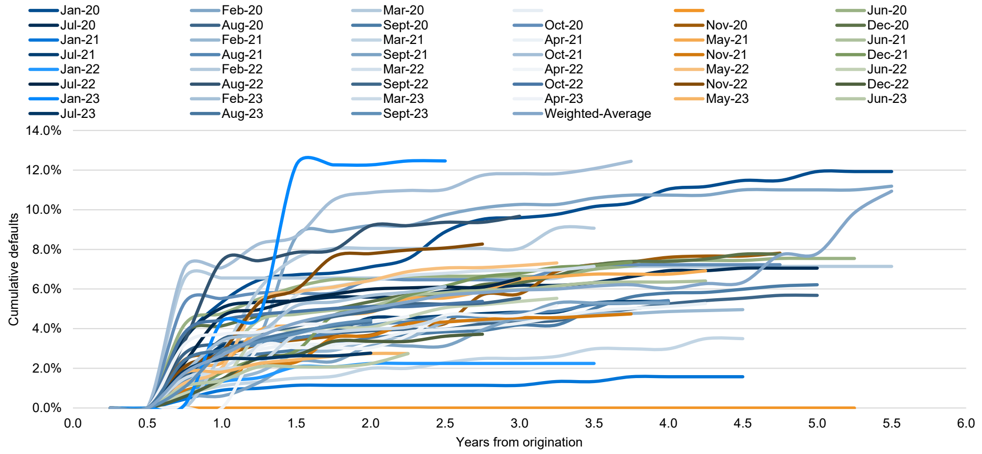
11. Summary of portfolio characteristics

Analysis considers the closing portfolio from 25 July 2025

Key Features	Closing portfolio
Originator (% of balance)	UAB ILTE
Portfolio balance (EUR m)	160.5
Number of loans	24,982
Number of borrowers	12,542
Average asset size (EUR)	6,423
Maximum asset size (EUR)	73,104
Minimum asset size (EUR)	0.01
Weighted average life (0% DR and 0% CPR) (years)	8.2
Weighted average seasoning (years)	5.5
Weighted average remaining term (years)	14.5
Largest obligor	0.3%
Top 10 obligors	1.4%
Largest region	27.0% (Kauno)
Top 3 regions	61.3%
Current weighted average yield	3.68%
Loans in portfolio paying fixed interest	100.0%
Amortising loans	100.0%

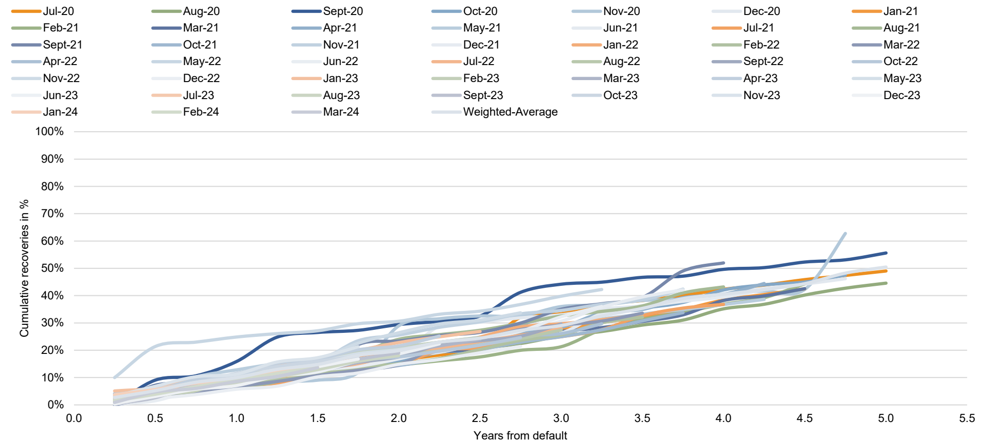
12. Vintage data provided by ILTE

Figure 8: Historical default rates provided by ILTE



Source: ILTE and Scope Ratings' data aggregation

Figure 9: Historical recovery rates provided by ILTE



Source: ILTE and Scope Ratings' data aggregation

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Applied methodologies

Consumer and Auto ABS Rating Methodology, March 2025
General Structured Finance Rating Methodology, February 2025
Counterparty Risk Methodology, June 2025

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