

Semi-annual Italian NPL review and outlook: 60% of transactions set to underperform in 2022



Scope
Ratings

The performance of Italian NPL securitisations in the second half of 2021 failed to show any major improvements from first-half figures. Collection volumes on half of the transactions were 30% below business plan expectations while the other half over-performed by an average of 35%. This evidences high performance volatility. The median profitability on closed positions was at 87% of Scope's B case assumptions. In the short term, sector performance will remain weak and uncertain as the economic consequences of the pandemic and disruptions to the legal system work themselves through the system. In the medium to longer term, however, we expect an improvement. But even then, transactions with weak underlying portfolio quality and those that had overly optimistic business plans at closing will continue to underperform against business plans.

Scope tracks performance both against business plan expectations and our own projections. Relative to business plans, we generally focus on the timing of collections, and complement the analysis on profitability by referencing our own projections at closing. We have downgraded the senior notes of 17 out of 36 transactions by an average downgrade of two notches.

Our proprietary NPL indices reflect weakness in the underlying market. The NPL Performance Index (NPI), which tracks cumulative collections against servicers' original projections, stands at 85. The Index reflects material under-performance of NPL transactions against their original business plans (i.e. below the baseline of 100). Scope expectation is that notes will amortise in six to eight years, based on our NPL Dynamic Coverage Ratio Index (SCI), which tracks the speed of note amortisation.

By the end of 2022, we estimate that 60% of the transactions analysed in this report will show collection volumes lagging servicers' forecasts by an average of 30%, while the remainder will over-perform by an average of 50%. Profitability on closed positions is expected to remain about 90% of Scope's B case scenario.

This report provides a detailed analysis of the performance of the NPL transactions (inclusive of non-performing lease transactions) with at least one interest-payment date as of 1 December 2021. This covers 36 transactions with an aggregated gross book value of EUR 91 bn. See Appendix II for the performance

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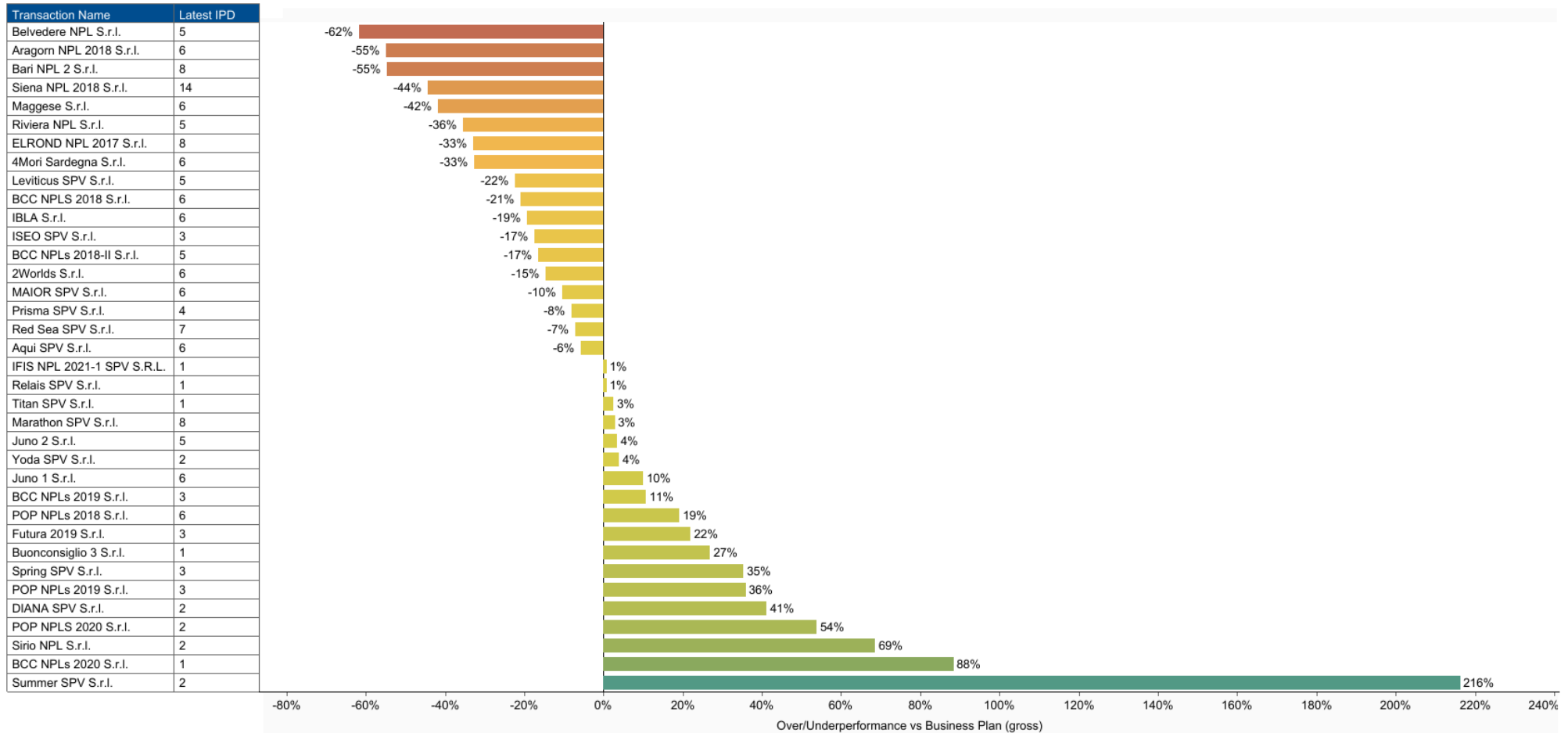


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Semi-annual Italian NPL performance report: 60% of transactions set to under-perform by 2022

Performance of Italian NPL securitisations (1/3)

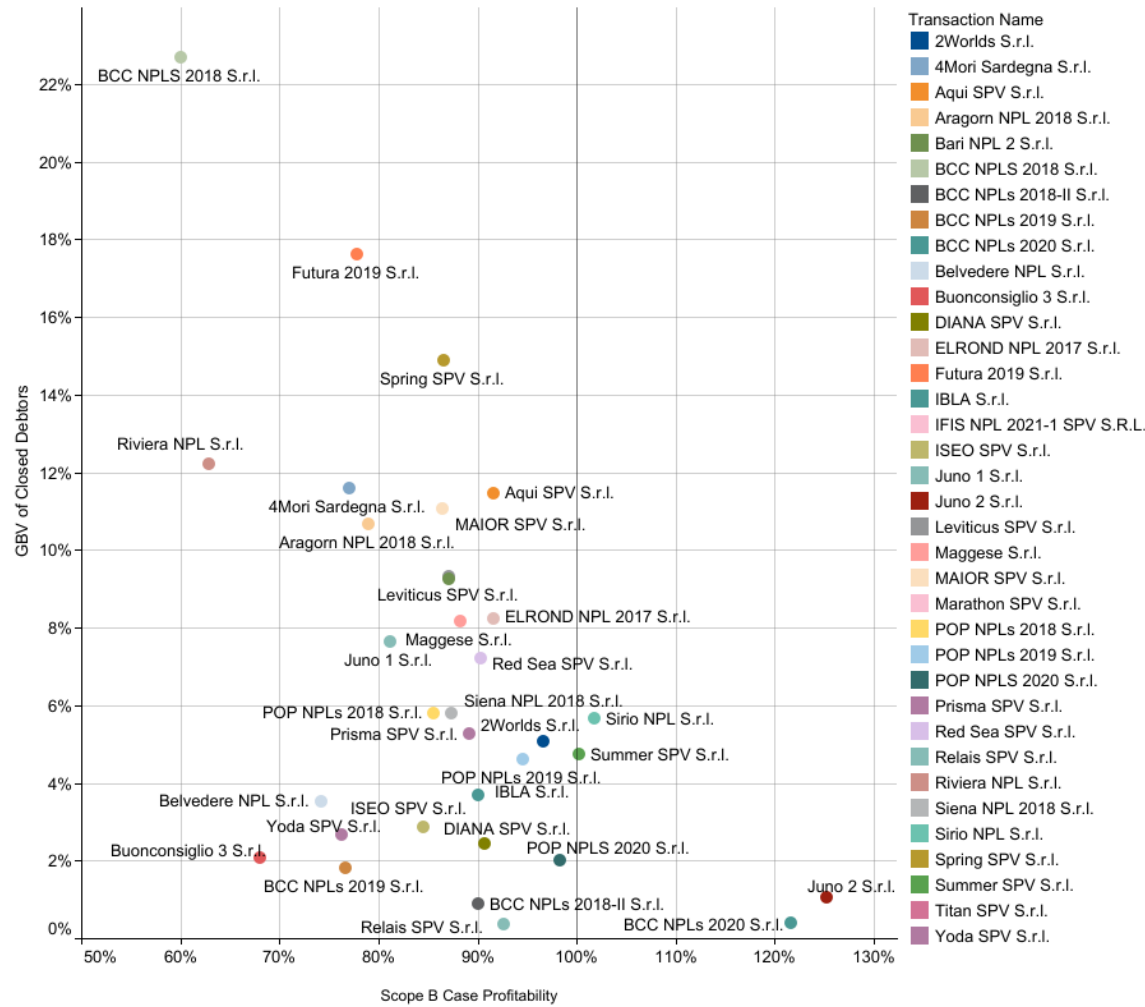


The chart measures transactions' gross performance versus business plan gross expected collections.
 Source: Scope computations on servicers and payment reports.



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Performance of Italian NPL securitisations (2/3)

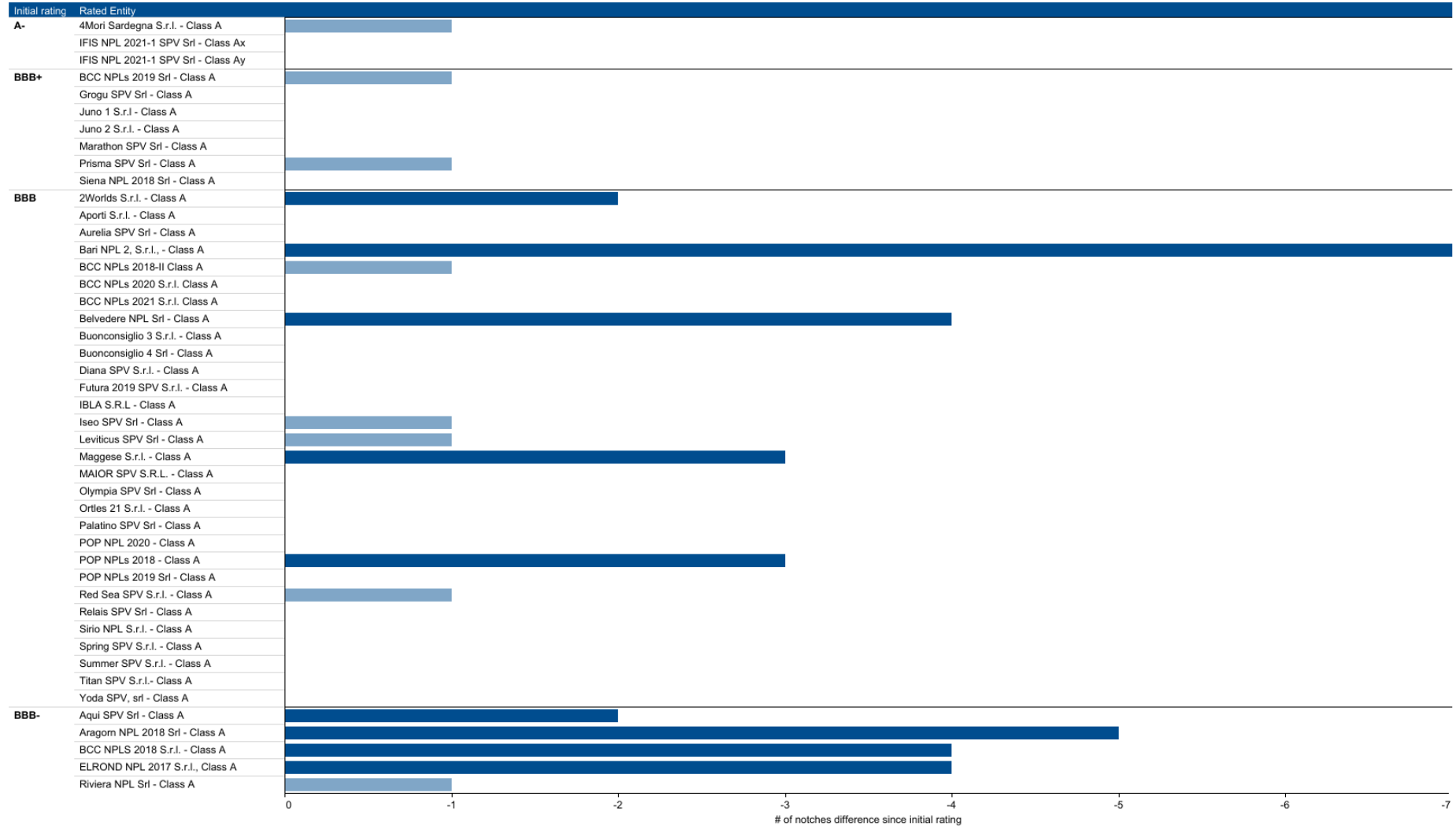


The chart measures Scope profitability under the B case assumptions, for closed positions. Scope's B case profitability for Marathon SPV Srl stands at 342% related to a share of closed GBV of 1%; Marathon figures are not included in the chart. Source: Scope computations on servicers and payment reports.



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Performance of Italian NPL securitisations (3/3)



The chart shows the magnitude of the rating actions for all transactions rated by Scope. The magnitude is computed comparing the original rating that was assigned to the Class A notes with the current rating of the notes as of 1 December 2021. Source: Scope public data available on Scope website.



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Semi-annual Italian NPL performance report: 60% of transactions set to under-perform by 2022

20 out of 36 transactions will under-perform against servicers' projections by end-2022

Profitability will remain about 90% of Scope B case scenario by 2022

1. Scope Outlook

1.1. Performance

Scope expects that the performance of Italian NPL securitisations in 2022 will be similar to the second half of 2021. Twenty out of 36 transactions will perform 30% below servicers' projections on average, while the remainder will out-perform servicers' projections by an average of 50%. At the end of 2021, 18 out of 36 transactions were lagging servicers' projections. Poor performance was not just a function of poor overall market conditions, it was also a question of seasoning.

Transactions with fewer interest payment dates over-performed either because of frontloaded cash-in-court proceeds or a material amount of interim collections. Neither is a sustainable performance driver. The average seasoning of transactions that under-performed is twice the seasoning of over-performing transactions (six vs. three interest payment dates). Additionally, the oldest business plans were less conservative than recent ones; the latter reflecting longer timings and lower recoveries because of the pandemic.

Servicers' strategies were key. Servicers that more nimbly adapted to the conditions brought about by the pandemic and selected the best-suited workout strategies counteracted some Covid-19 impacts and improved transaction performance. Though the short-term outlook remains weak, Scope expects a gradual improvement in performance starting from 2023-24. Higher judicial volumes will emerge once the courts clear backlogs, while we expect better profitability on extra-judicial strategies for borrowers that experience better affordability conditions on the back of an improving macroeconomic scenario.

Servicers have so far closed positions with a lower profitability than Scope's expectations, this applies to 30 out of 35 transactions. The median profitability¹ on closed positions stands at 87% versus Scope's B case scenario at closing, without considering any discounting effects. We expect the profitability to remain about 90% by 2022.

Profitability and collections against business plan projections are complementary metrics to analyse sector's performance. However, both have limitations².

¹ The median profitability is computed in the context of Scope's monitoring analysis, conducted until December 2021. The metric is therefore available for a sample of 35 out of 36 transactions.

² Profitability on closed borrowers is a relevant metric when the share of closed GBV and the number of closed borrowers is material. So far, servicers have closed on an average of 6.4% of portfolio original GBVs. Performance against servicers' projections varies based on the assumptions applied by the servicers in crafting their business plans. Assumptions are not aligned across transactions as they are i) transactions' specific, ii) servicer specific and iii) they did not factor macro events such as the pandemic (for transactions that closed prior to the Covid-19 outbreak).



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Scope proprietary NPL indexes reflect market weakness

Scope's NPL indices (see **Figures 1 and 2**) reflect the dynamic performance of the Italian NPL transactions covered in this report. Indices exclude transactions with less than three interest payment dates. Appendix II provides more detail on performance, including specific structural features.

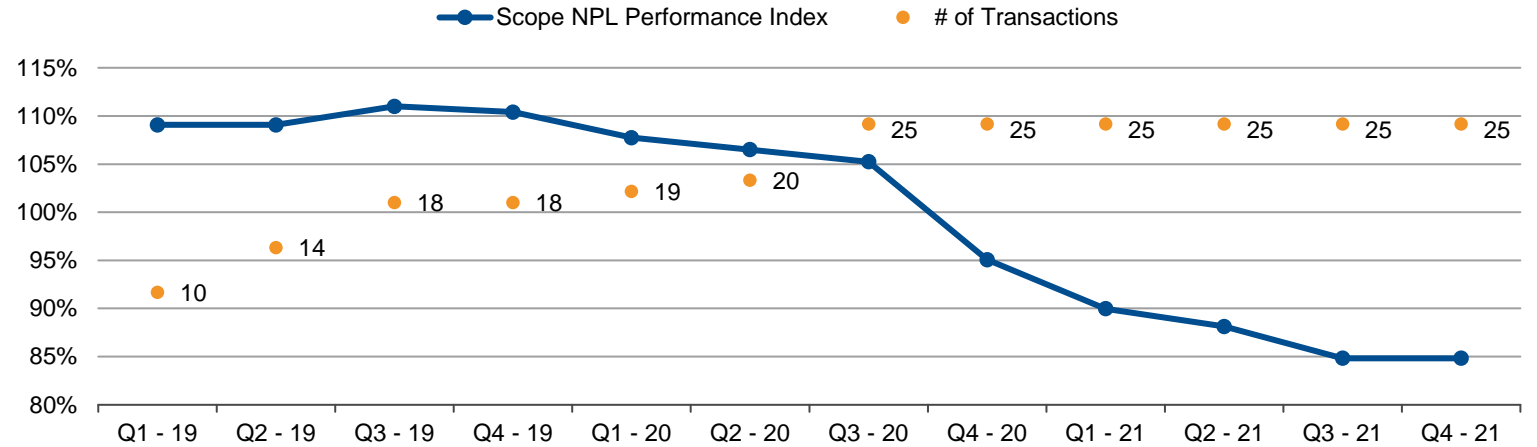
The **NPL Performance Index (NPI)**, compiled on the basis of 25 transactions, tracks the ratio between transactions' aggregated cumulative proceeds (net of servicing fees and costs) and original cumulative business plan net forecasts. It is currently at 85% of servicers' expectations. In the short term, transactions will still show a material under-performance against original business plans. Frontloaded collections due to extra-judicial strategies increase the value of the NPI as servicers' business plans are judicial in nature. Conversely, judicial routes, which typically take longer, decrease the index value. Since economic conditions remain weak and uncertain, we are not expecting the NPI to recover to pre-pandemic levels in the near term.

The **Scope NPL Dynamic Coverage Index (SCI)** tracks the percentage of senior and mezzanine notes that has been repaid³ on a yearly basis. The index is used to infer the average remaining years needed for transactions to amortise, assuming the annual pace of collections remains stable. Transaction performance, measured against business-plan expectations, may not be comparable, as underlying business plan assumptions may not be consistent.

The SCI addresses this limitation by measuring collections against the size of the outstanding notes. The SCI shows that note amortisation has remained moderately stable over time because of the effect of transactions' structural features such as interest subordination and under-performance events, that, at times of low collections, drive faster amortisation of the senior notes. However, these structural triggers do not necessarily compensate for transactions' under-performance. We project that the average number of years needed for transactions to amortise will remain in the six to eight-year range.

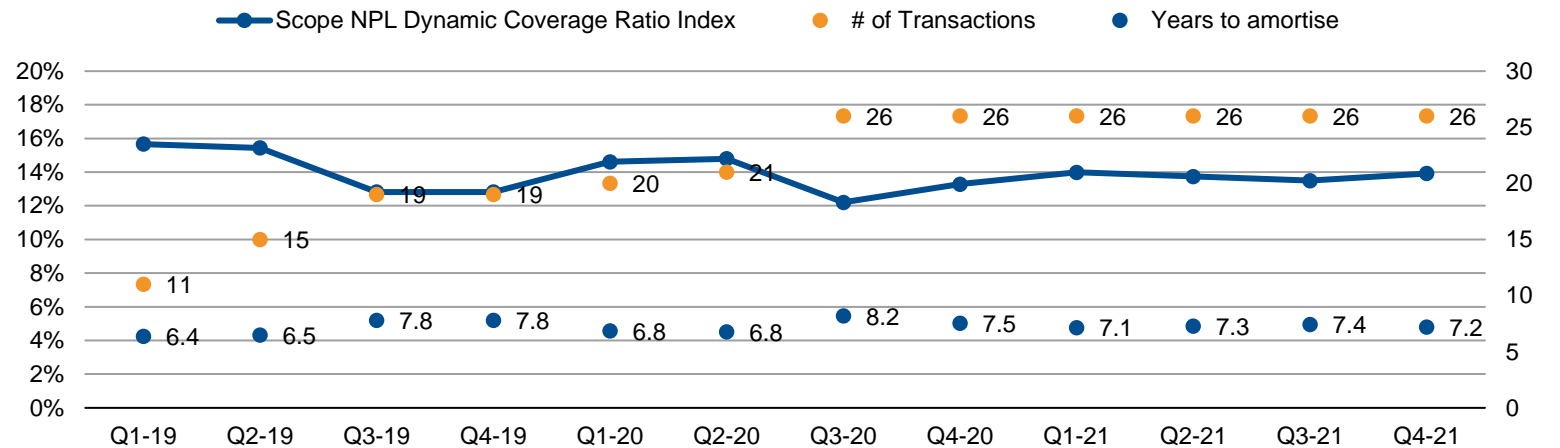
³ The index is based on the median of transactions' coverage ratios. The coverage ratio is the ratio between transaction's annualised net collections and the sum of the senior and mezzanine outstanding amount of the notes along with their unpaid interests (if any). Transaction's annualised proceeds are net of servicing fees and legal costs. The index excludes transactions with only up to two interest payment dates as of 1 December 2021.

Figure 1: NPL Performance Index (NPI)



Source: Scope computations on servicers and payment reports.

Figure 2: Scope NPL Dynamic Coverage Index (SCI)



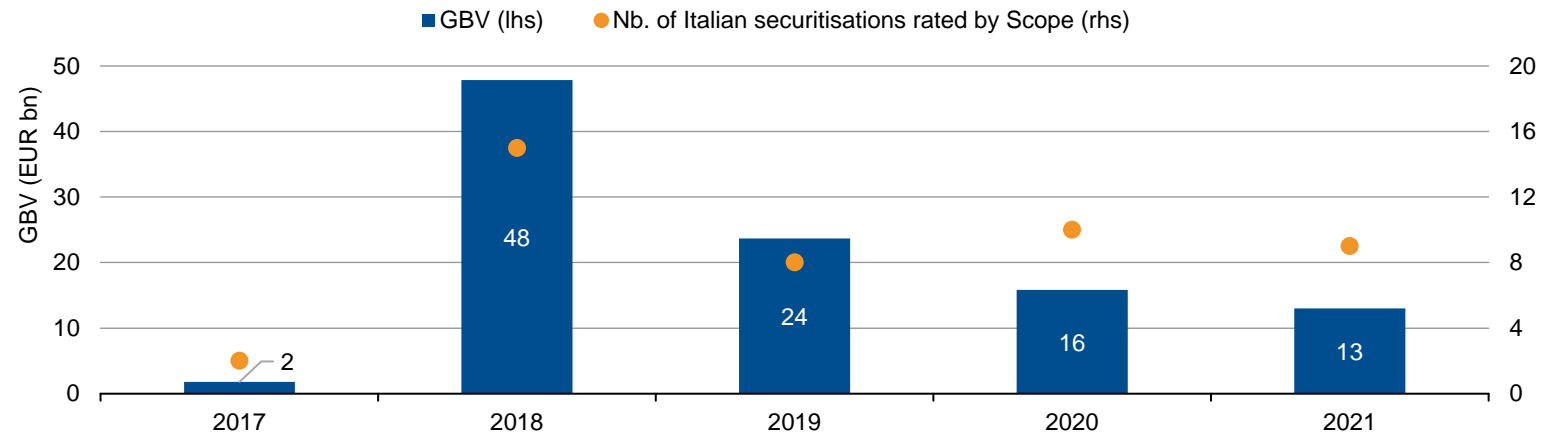
Source: Scope computations on servicers and payment reports.

Scope's outlook for 2022 securitisation volumes

1.2. New issuance

Scope has rated 44 Italian NPL transactions to-date for a value of EUR 102.2bn. We expect activity to be intense in the first half of 2022 compared to the first half of 2021 due to the impending expiry of the GACS scheme on 14 June 2022. If GACS is renewed, the second half of the year will also see a material number of securitisations, prompted by the deleveraging needs of banks.

Figure 3: Italian NPL securitisations rated by Scope



Source: Scope computations on public data.

2. Performance against servicers' projections

About half of the transactions are under-performing servicer's original projections (as shown by their cumulative performance versus servicers' estimates) but 80% are showing good profitability on closed positions compared with servicers' target prices (as shown by Net Present Value Profitability Ratios or NPVPRs).

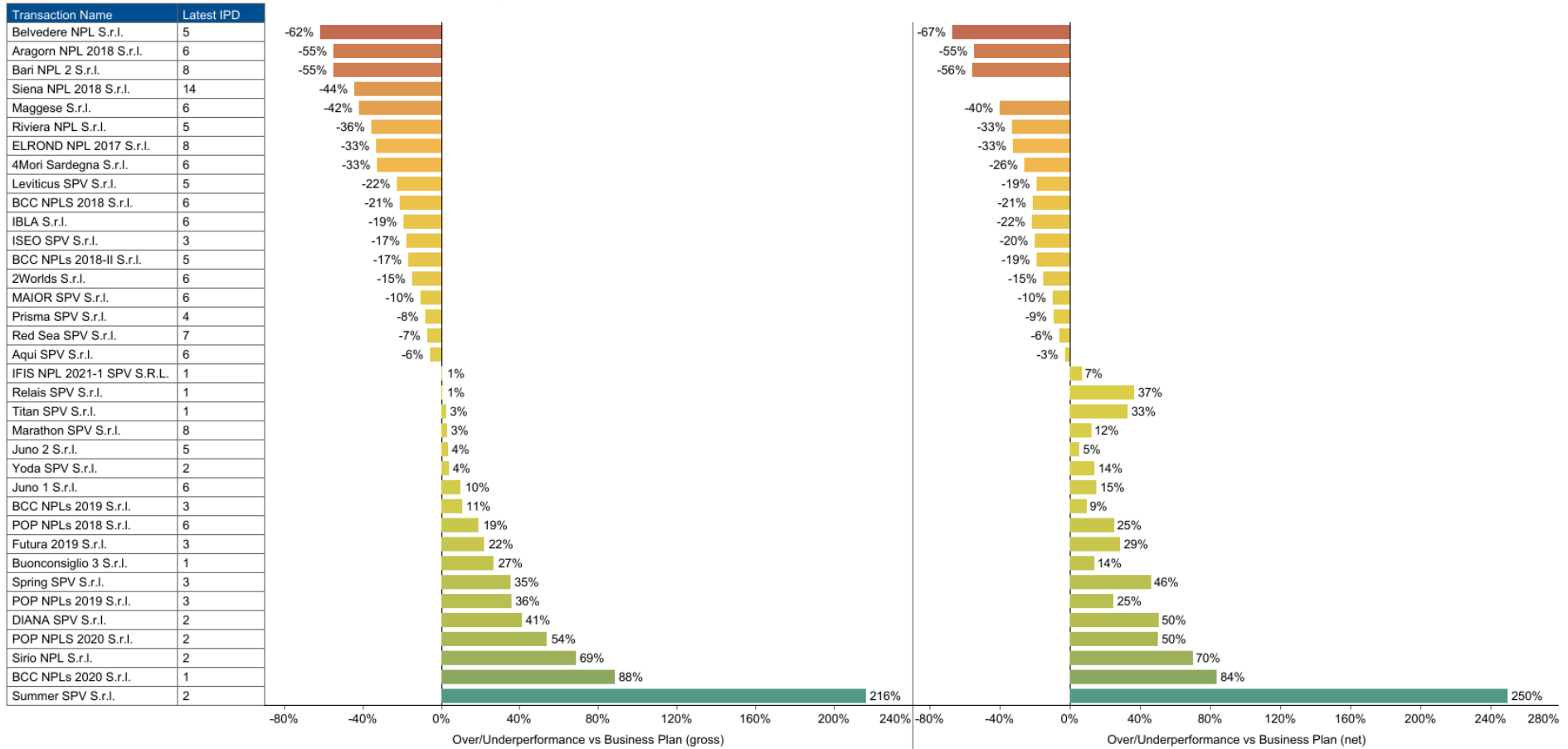
2.1 Cumulative collection volumes

Figure 4 compares transaction performance against business plan expectations on both gross and net levels (i.e. net of servicing fees and legal costs). Given the way recovery expenses are generated through a transaction's life cycle (see Section 4), net collections may become a better measure of performance. Indeed, available proceeds to pay due amounts under the notes are net of legal costs and servicing fees. Subordination and under-performance events are typically triggered by ratios measured at net rather than gross levels (CCRs and NPVPRs).



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Figure 4: Cumulative performance against business plans – gross and net⁴ levels



Source: Scope computations on servicers and payment reports

⁴ Net levels refers to gross collections net of recovery and servicing expenses.



2.2 Cumulative profitability of closed positions

Profitability on closed positions⁵ is measured as the ratio between the net collections allocated to a borrower whose position has been closed by the servicer, and the respective net recovery proceeds that were expected at closing according to the servicers' business plan. The NPVPR metric measures the profitability of closed borrowers and is computed on a net present value basis.

Profitability above 100% for 28 out of 35 transactions based on NPVPR

Although **Figure 5** shows that 28 out of 35 transactions are currently over-performing⁶ based on the NPVPR metric, the profitability of closed borrowers remains below Scope's B case assumptions for 30 out of 35 transactions⁷ (see **Performance of Italian NPL securitisations**, page 3).

Under-performance events are generally based on NPVPRs. These ratios have generally remained above 100%, due to moderate discounts⁸ compared to business plans' original projections, and the discounting effect.

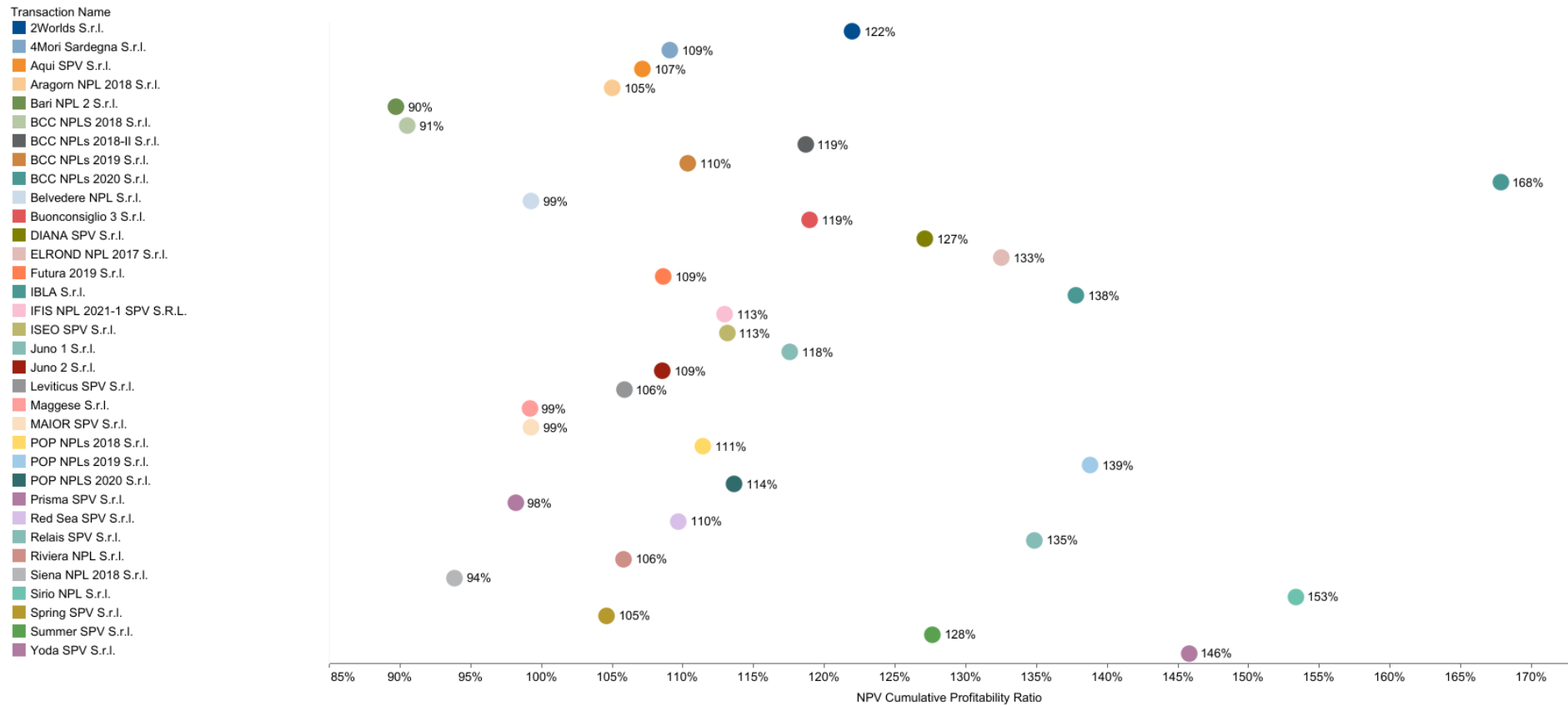
⁵ A position is closed if the servicer does not expect any additional cash flows.

⁶ The NPVPR is not available for Marathon SPV S.r.l.. This leads to a set of 35 out of 36 transactions, as referenced in Figure 6.

⁷ Scope's profitability at the B case assumptions is not available for IFIS NPL 2021-1 SPV Srl as the transaction was monitored in Feb-22, this leads to a set of 35 out of 36 transactions.

⁸ As part of their recovery strategy servicers sell part of the portfolio to a third party. These sales accelerate recovery timing and upfront collections volumes.

Figure 5: Cumulative profitability against business plans (NPVPR)



The NPVPR of Titan SPV Srl stands at 938.80% and is not included in the chart. Marathon's transactions documents did not envisage the computation of the NPVPR that is therefore not included in the chart. Source: Scope computations on servicers and payment reports.

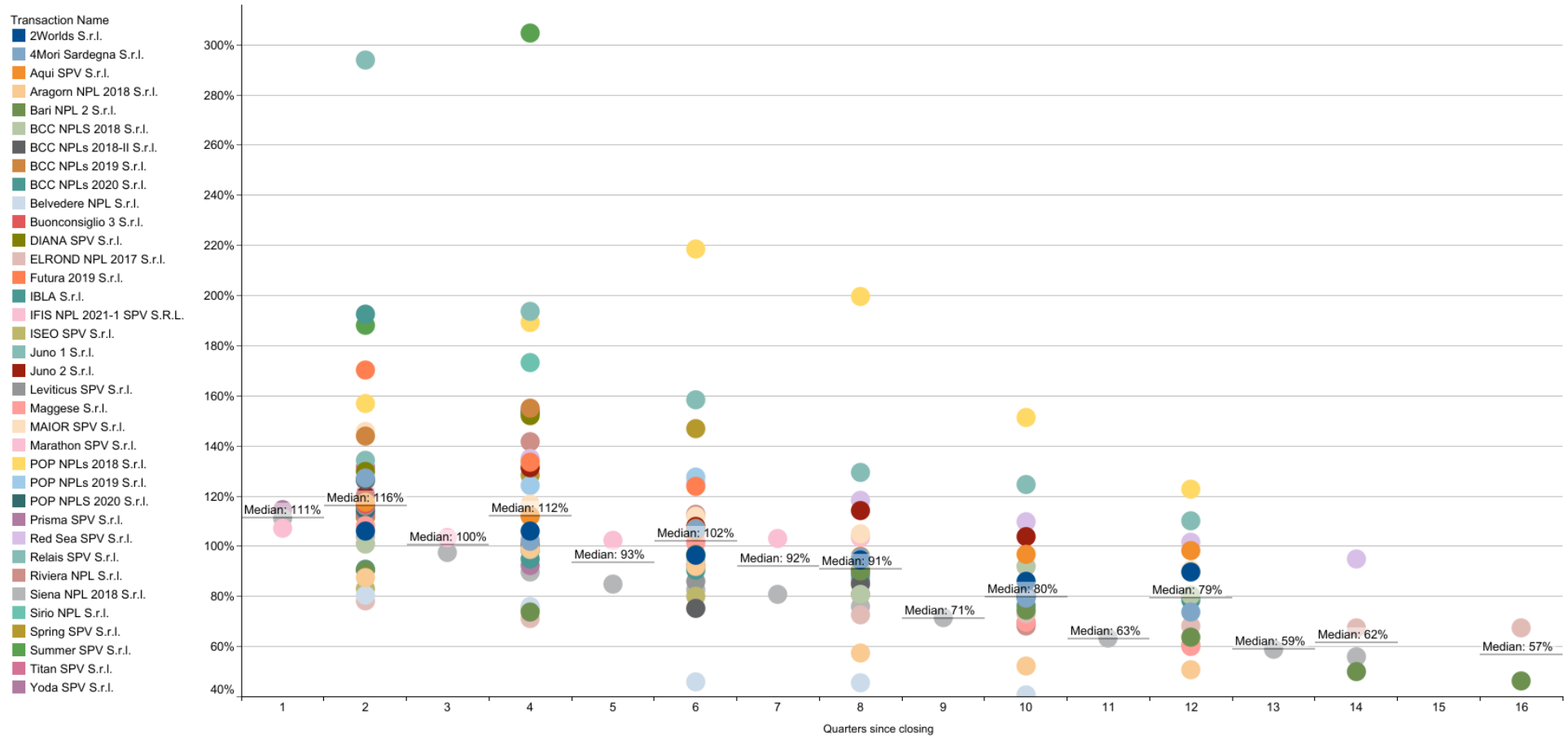
2.3 Dynamic collection volumes and profitability analysis – since closing

Median Cumulative Collection Ratios (CCRs) –the ratios between realised cumulative collections and business plan expectations –have declined since transactions have closed, while NPVRs have been more volatile. Median values of NPVPRs are also declining (see **Figures 6 and 8**). Declining CCRs have been driven by two main factors:

- 1) after the first interest payment dates, the proceeds from assets that were sold pre-closing (i.e. cash-in-court) are typically cashed-in. When cash-in-court amounts are collected more quickly than servicers expect, there is an initial over-performance that gradually decreases if not additionally compensated by portfolio collections;
- 2) the pandemic has had different impacts on transaction performance. The CCRs of transactions issued after the Covid-19 outbreak have been more resilient relative to initial business plans as servicers' projections naturally factored in Covid-19 effects. The CCRs of transactions issued before the pandemic, by contrast, have shown subdued volumes against business plan projections.

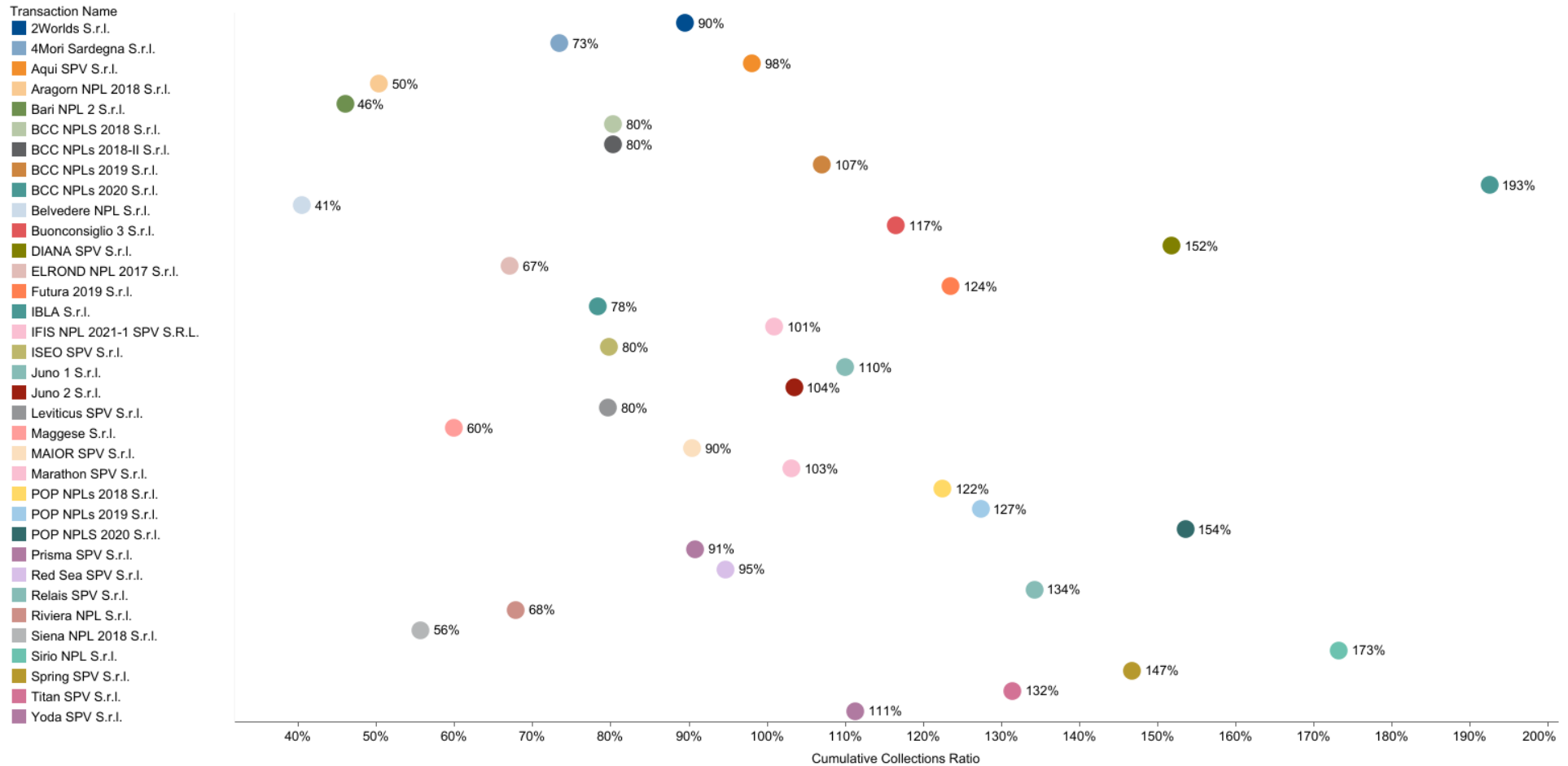
The NPVPR is computed on a closed borrower portion of the portfolio and is particularly subject to the discretion of the servicer on the closing of positions. The CCR is a more robust measure of total portfolio performance, particularly during the first years of a transaction, when closed positions represent a small share. But it has its limitations as a measure of transaction performance as it measures collections against business plans that are crafted based on different assumptions that are transaction and servicer specific. It is generally computed considering collections net of legal costs. However, for certain transactions it is computed at a gross level.

Figure 6: CCR trend since closing



Siena NPL 2018 Srl, Marathon SPV Srl and Yoda SPV Srl pay quarterly, the remainder pays semi-annually.
 Source: Scope computations on servicers and payment reports

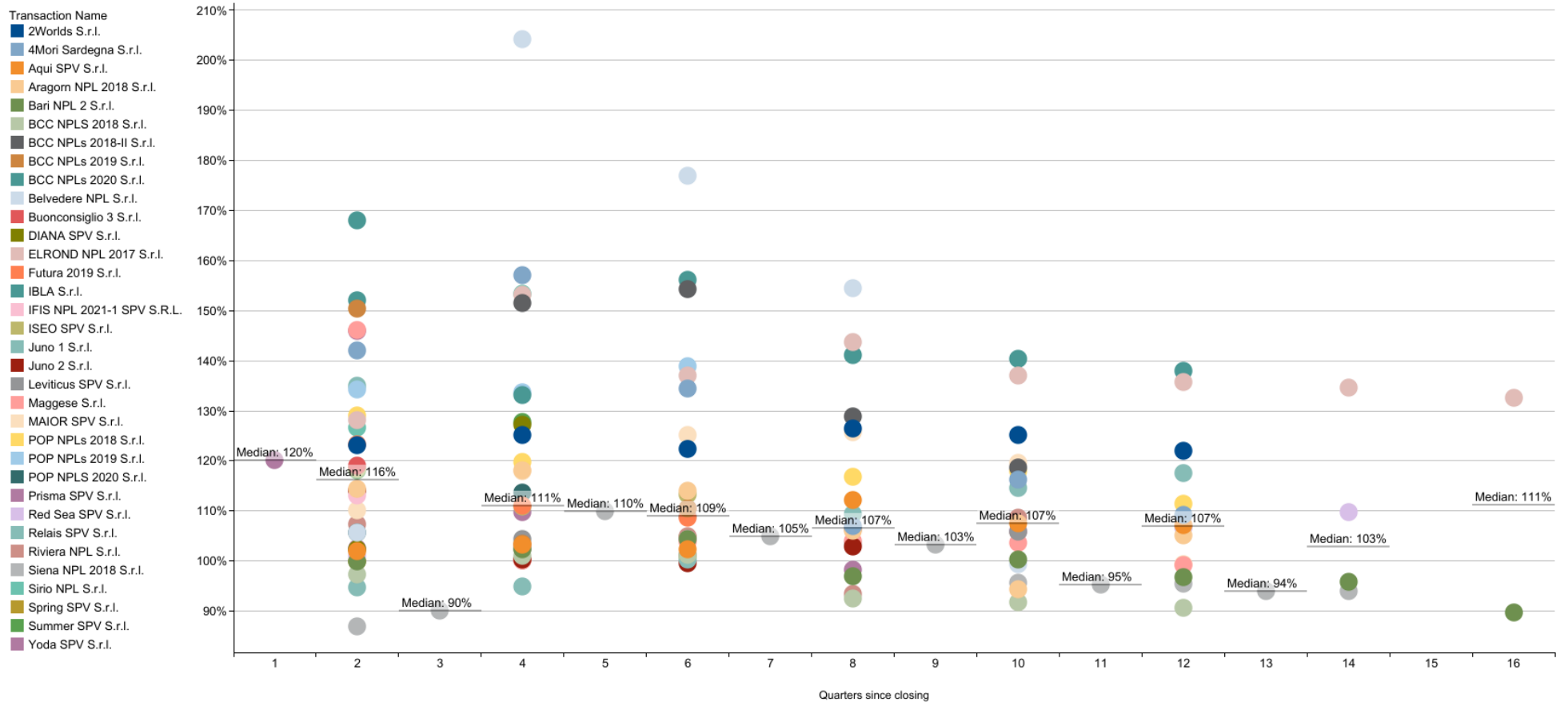
Figure 7: CCR as of the last interest payment date



The CCR of Summer SPV Srl stands at 304.41% and is not included in the chart.

Source: Scope computations on servicers and payment reports.

Figure 8: NPVPR trend since closing



Siena NPL 2018 Srl, Marathon SPV Srl and Yoda SPV Srl pay quarterly, the remainder pays semi-annually. The NPVPR of Siena NPL 2018 S.r.l. at the first interest payment date was computed by Scope and resulted into 95%; Marathon's transactions documents did not envisage the computation of the NPVPR that is therefore not included in the chart. The NPVPR of Titan SPV Srl at the first interest payment date was 938.80% and is not included in the chart.

Source: Scope computations on servicers and payment reports

2.4 Performance drivers

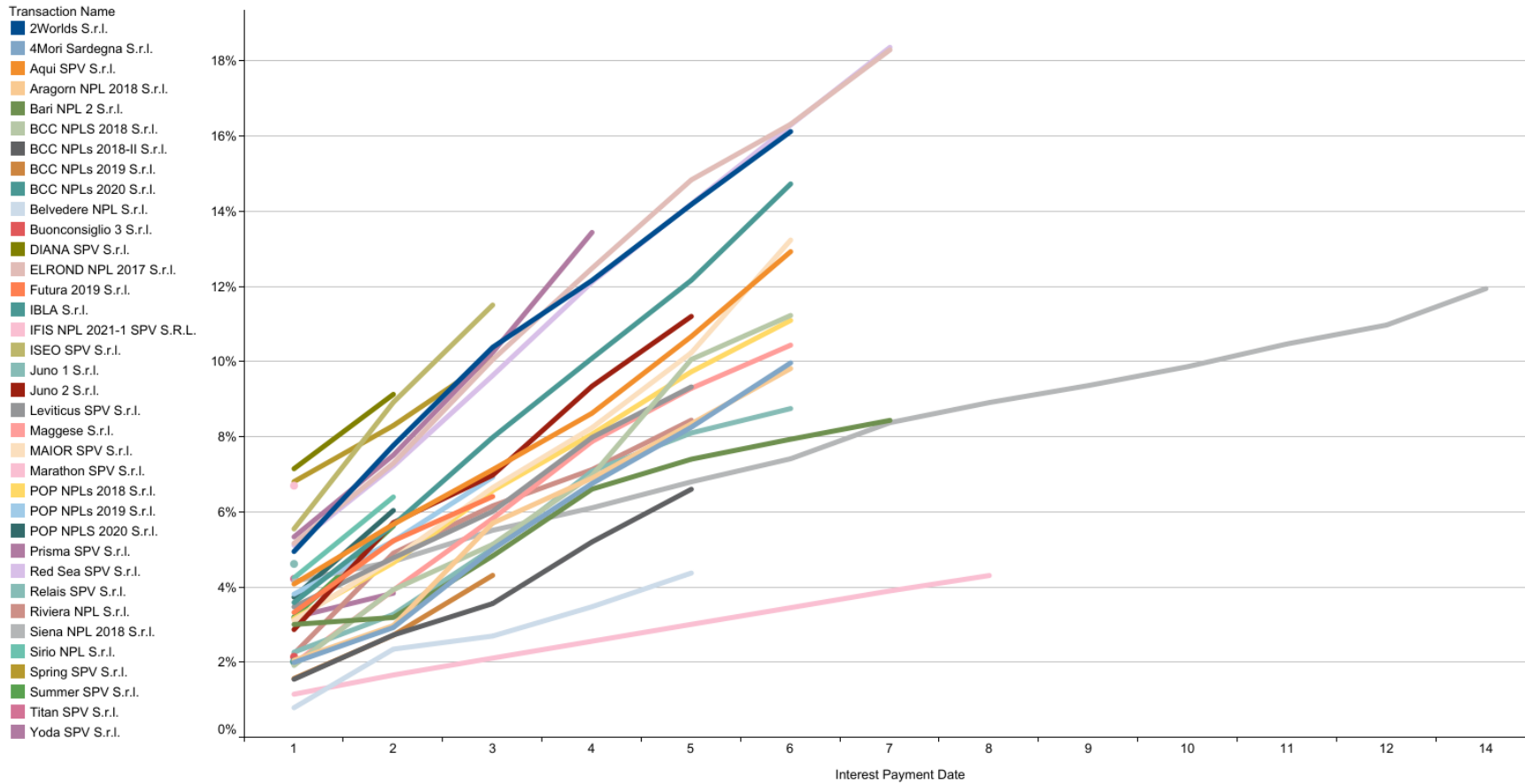
The table below summarises the most relevant performance drivers:

| Performance drivers |
|---|
| <u>Under-performance</u> |
| 1. Difficult servicer on-boarding processes delaying servicers' activities |
| 2. Judicial proceedings: partial suspension and bigger backlog as a consequence of Covid-19 |
| 3. Deterioration in borrower affordability and liquidity |
| 4. Real estate market risk |
| 5. High discounts on note sales |
| <u>Over-performance</u> |
| 1. Collections from cash-in-court positions or from loans that were already in advanced legal stages and resolved faster than expected |
| 2. Sales prices above expectations resulting from conservative property appraisals |
| 3. Servicer's ability to reach extra-judicial agreements resulting in front-loading of collections compared to original judicial forecasts |
| 4. Improved financial standing of borrowers |

3. Recovery Strategy Analysis

Collections as a percentage of GBV (at closing) range between 1% and 18% across transactions.

Figure 9: Cumulative gross collections on original GBV



Source: Scope computations on servicers and payment reports

Servicers follow different recovery strategies, including discounted-pay-offs (DPOs), judicial claims, note sales and wage garnishments. Recovery strategies are generally tailored to portfolio characteristics and economic considerations on loan profitability. However, the sudden increase of certain strategies such as note sales might represent a warning signal that transaction performance is poor. For example, when judicial routes take longer than servicers expect and transaction volumes are poor, selling credits helps front-load collections, increasing the CCR. This helps avoid the occurrence of subordination and/or under-performance events that are typically linked to the CCR. Other strategies might be deployed with the same rationale of avoiding the occurrence of events that impact servicers' fees and class B noteholders.

Figure 10 shows the share of indemnity proceeds which may arise from a breach of representations and warranties provided by sellers at the closing date⁹. For example, indemnities may be requested due to the inaccuracy of data tape information or to a breach of representations given in respect of portfolio exposures.

Judicial routes as core recovery strategy

A high share of indemnity proceeds is a warning signal regarding the lack of accuracy of portfolio information, and it may impact servicers' original strategies and business plans. However, indemnity proceeds have been limited so far.

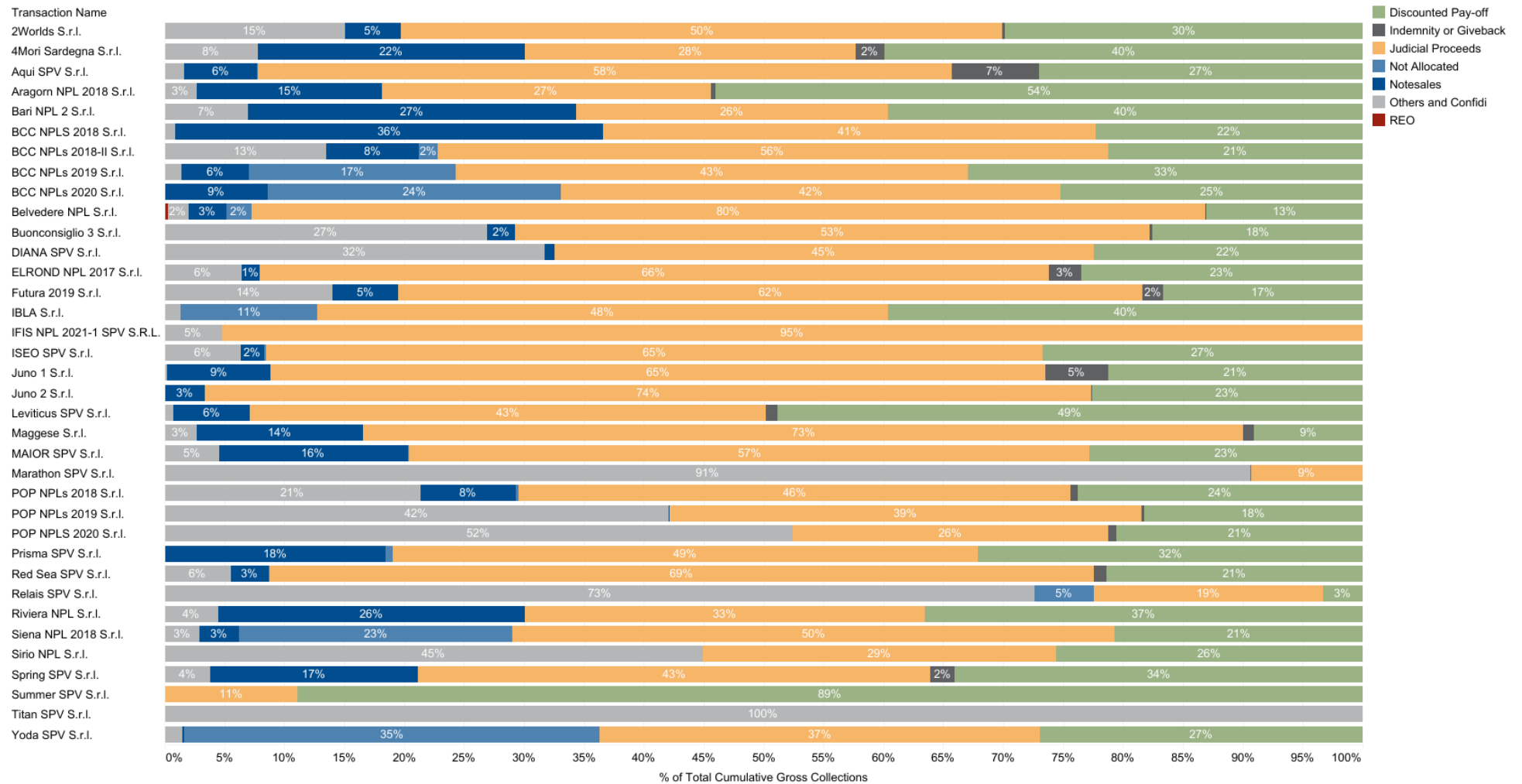
So far, servicers' core recovery strategy has been the judicial route, with an average of 46% of transaction collections, followed by DPOs (25.8%), and note sales (7.6%, see **Figure 10**). Other recovery sources such as REO disposals through the implementation of Real Estate Owned Companies (ReoCo) structures and execution of guarantees (e.g. Confidi) have occasionally been adopted.

A total of 24 out of 36 transactions have taken the judicial route as core strategy; six rely on DPOs and the remainders on other strategies (e.g. open market sales in case of non-performing lease receivables). In general, in 2020 and 2021, DPOs and note sales were complementary strategies to the core judicial routes¹⁰.

⁹ Issuers have the right to request indemnities during a limited period after the closing date. The indemnity period is transaction specific, and generally ranges between 12 and 24 months.

¹⁰ See Scope's monthly NPL outlook publications ([Italian NPL collections: seasonality effects boost December volumes by 65%](#), February 2022).

Figure 10: Cumulative collections per recovery strategy, as of latest interest-payment date



Source: Scope computations on servicers and payment reports

4. Recovery Expenses Analysis

Transactions' expenses are mainly distributed between servicing fees and legal costs (**Figure 11**). On average, 55% of expenses stem from servicing fees and 45% from legal procedures.

On the initial interest payment dates, recovery expenses (i.e. legal costs) are typically low as servicers are mostly focused on the completion of portfolio on-boarding, which may delay recovery costs. Additionally, in the initial periods, servicers might focus on cash-in-court proceeds that do not typically have high associated expenses.

Among the drivers of recovery expenses are:

- i) the choice of recovery strategy. Some strategies are costlier than others (e.g. judicial versus note sales, or judicial versus wage garnishments),
- ii) the type of exposure. Recovery costs relating to non-performing lease receivables are typically higher than for non-performing loans since for the most part they consist of ongoing property maintenance costs and taxes¹¹. This is the case of Relais SPV Srl and Titan SPV Srl).

Figure 12 shows that at the first interest payment dates, cumulative recovery expenses have a median value of 1.6% of total gross collections. Their value increases up to a median of 5.4% in subsequent interest payment dates. So far, most transactions show recovery expenses that are lower than 9% of their gross proceeds, while seven transactions show higher expenses.

Current expenses rates likely under-estimate expected lifetime expense rates. There are two points worth making in this regard. First, recovery costs rise over time as work-out strategies progress, especially judicial ones.

Second, while business plans are crafted assuming judicial work-out strategies, servicers rely also on extra-judicial strategies such as DPOs (see Section 3). These strategies are less costly than judicial processes. This explains why servicers have sustained recovery costs below their original projections, with median values varying between 35% and 73% of original projections, across all interest-payment-dates¹².

Recovery expenses show an increasing median value up to 5.4%

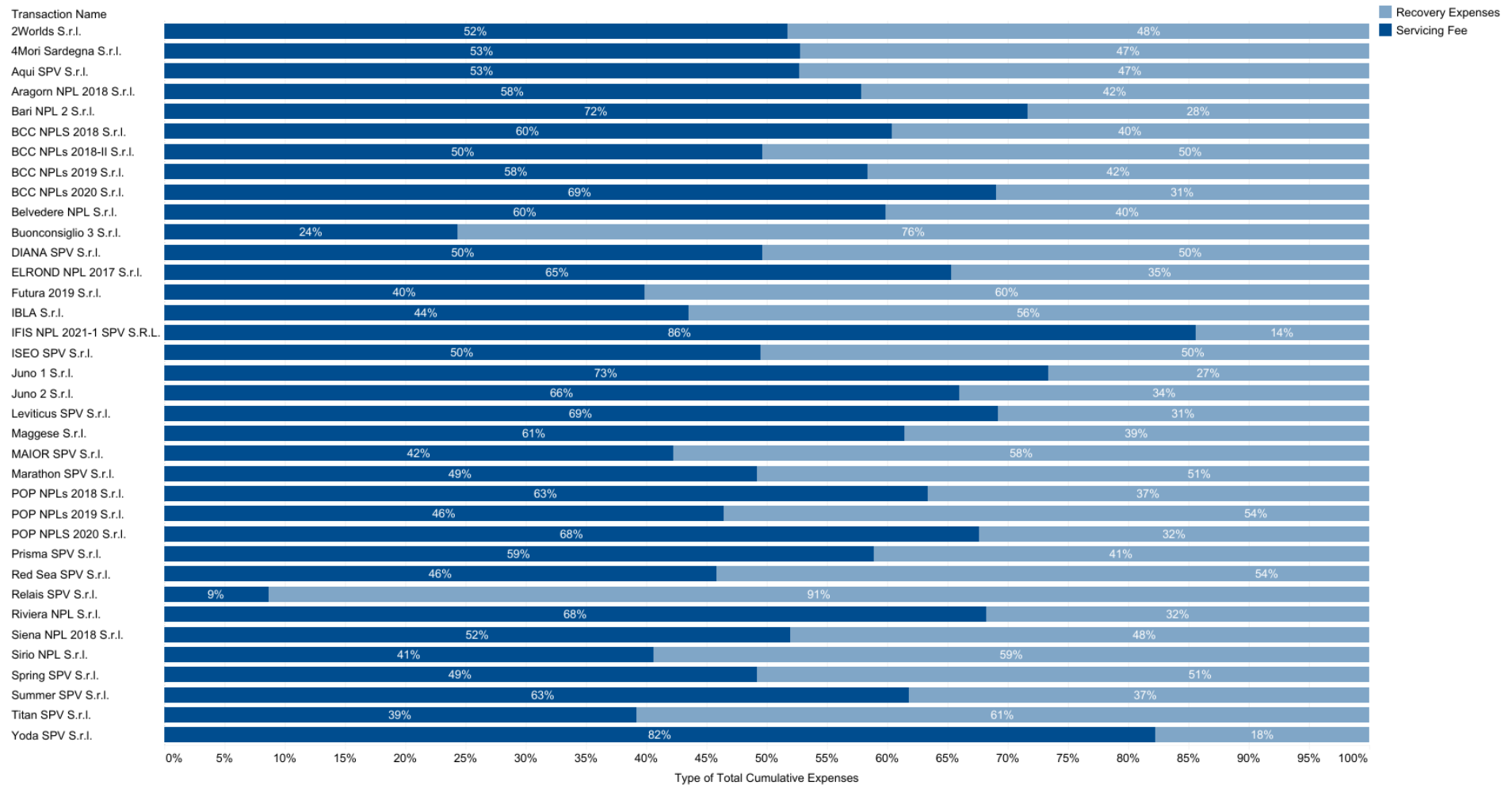
¹¹ See [Italian non-performing lease ABS market on a promising course](#), Nov-21.

¹² The median is computed considering 35 transactions out of 36 of the sample, as for Siena NPL 2018 S.r.l. the expenses of the business plan are not directly reported.



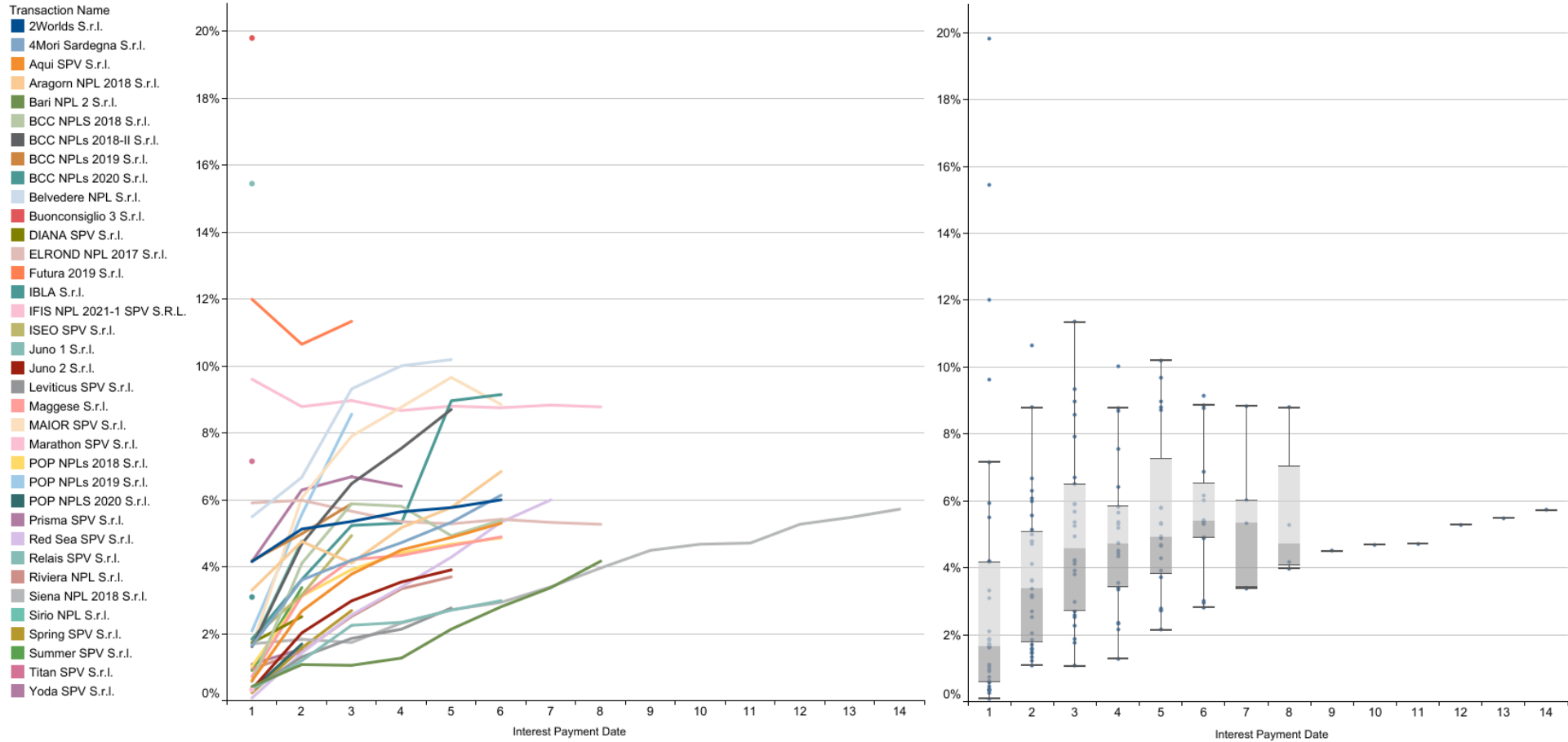
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Figure 11: Cumulative expenses per type



Source: Scope computations on servicers and payment reports

Figure 12: Recovery expense ratio¹³—trend since closing and distribution



Source: Scope computations on servicers and payment reports

¹³ Recovery Expense ratio means the ratio between legal recovery expenses and gross actual collections, computed on a cumulative basis.

Subordination and/or under-performance events occurred in 14 out of 36 transactions

5. Structural Performance triggers

Transaction structures generally feature the following interest and servicing fee deferral events: (i) an interest subordination event (which triggers the deferral of class B interest after class A principal payments in the transaction order of priority), and ii) a servicer under-performance event, which typically results in the partial deferral of servicing fees below class A.

A total of 14 out of 36 transactions have reported subordination and/or under-performance events (see **Figure 13**). Overall, most transactions experienced these events only after a certain number of interest payment dates. Once triggered, both events were typically not cured at subsequent interest payment dates.

This signals that these transactions received lower volumes than servicers expected and/or a lower profitability on closed borrowers. Under-performance and subordination events are structural features aimed at protecting the position of senior noteholders whenever a transaction is performing significantly below servicer's projections in terms of CCR and/or NPVPR. As shown by the SCI, these events helped note amortisation remain moderately stable during the pandemic (see **Figure 2**).



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Figure 13: Subordination and under-performance events

| Transaction Name | Quarters since closing | | | | | | | | | | | | | | | |
|----------------------------|------------------------|---|---|---|---|---|---|---|---|----|----|----|----|----|----|--|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 16 | |
| 2Worlds S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| 4Mori Sardegna S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Aqui SPV S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Aragom NPL 2018 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Bari NPL 2 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | ◆ | |
| BCC NPLS 2018 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| BCC NPLs 2018-II S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| BCC NPLs 2019 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| BCC NPLs 2020 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Belvedere NPL S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Buonconsiglio 3 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| DIANA SPV S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| ELROND NPL 2017 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | ◆ | |
| Futura 2019 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| IBLA S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| IFIS NPL 2021-1 SPV S.R.L. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| ISEO SPV S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Juno 1 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Juno 2 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Leviticus SPV S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Maggese S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| MAIOR SPV S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Marathon SPV S.r.l. | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | |
| POP NPLs 2018 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| POP NPLs 2019 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| POP NPLS 2020 S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Prisma SPV S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Red Sea SPV S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | |
| Relais SPV S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Riviera NPL S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Siena NPL 2018 S.r.l. | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | ◆ | |
| Sirio NPL S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Spring SPV S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Summer SPV S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Titan SPV S.r.l. | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | ◆ | | | | |
| Yoda SPV S.r.l. | ◆ | ◆ | | | | | | | | | | | | | | |

Whether a Subordination/Underperformance Event Occurred, by period

- ◆ Both a Subordination and Underperformance Event
- ◆ Neither a Subordination nor an Underperformance Event
- ◆ Only a Subordination Event
- ◆ Only an Underperformance Event

Source: Scope computations on servicers and payment reports.



Semi-annual Italian NPL performance report: 60% of transactions set to under-perform by 2022

Appendix I. Summary of trigger metrics¹⁴

| Transaction Name | Latest IPD included | Payment Frequency | Latest IPD | Cumulative Collection Ratio @ Latest IPD | NPV Cumulative Profitability Ratio @ Latest IPD | Definition of Subordination Event | Subordination Event Trigger | # of Subordination Events | Definition of Underperformance Event | Underperformance Event Trigger | # of Underperformance Events |
|----------------------------|---------------------|-------------------|------------|--|---|-----------------------------------|-----------------------------|---------------------------|--------------------------------------|--------------------------------|------------------------------|
| 2Worlds S.r.l. | 2021 Q3 | Semi-annual | 6 | 89.5% | 122.0% | Cum & NPV Profitability | 85% | 0 | NPV Profitability | 100% | 0 |
| 4Mori Sardegna S.r.l. | 2021 Q3 | Semi-annual | 6 | 73.5% | 109.1% | Cum & NPV Profitability | 90% | 2 | NPV Profitability | 100% | 0 |
| Aqui SPV S.r.l. | 2021 Q4 | Semi-annual | 6 | 98.1% | 107.2% | Cum & NPV Profitability | 95% | 0 | NPV Profitability | 100% | 0 |
| Aragorn NPL 2018 S.r.l. | 2021 Q3 | Semi-annual | 6 | 50.4% | 105.1% | Cum & NPV Profitability | 90% | 5 | Cum & NPV Profitability | 100% | 6 |
| BCC NPLs 2018 S.r.l. | 2021 Q2 | Semi-annual | 6 | 80.3% | 90.5% | Cum & NPV Profitability | 90% | 2 | NPV Profitability | 110% | 6 |
| BCC NPLs 2018-II S.r.l. | 2021 Q3 | Semi-annual | 5 | 80.3% | 118.7% | Cum & NPV Profitability | 80% | 1 | NPV Profitability | 100% | 1 |
| BCC NPLs 2019 S.r.l. | 2021 Q3 | Semi-annual | 3 | 107.1% | 110.4% | Cum & NPV Profitability | 90% | 0 | NPV Profitability | 100% | 0 |
| BCC NPLs 2020 S.r.l. | 2021 Q3 | Semi-annual | 1 | 192.5% | 167.8% | Cum & NPV Profitability | 90% | 0 | NPV Profitability | 100% | 0 |
| Bari NPL 2 S.r.l. | 2021 Q4 | Semi-annual | 8 | 46.0% | 89.8% | NPV Profitability | 90% | 1 | NPV Profitability | 110% | 7 |
| Belvedere NPL S.r.l. | 2021 Q2 | Semi-annual | 5 | 40.5% | 99.3% | Not applicable | Not available | 0 | NPV Profitability | 90% | 0 |
| Buonconsiglio 3 S.r.l. | 2021 Q3 | Semi-annual | 1 | 116.6% | 119.0% | Cum & NPV Profitability | 90% | 0 | Cum & NPV Profitability | 95% | 0 |
| DIANA SPV S.r.l. | 2021 Q2 | Semi-annual | 2 | 151.8% | 127.1% | Cum & NPV Profitability | 90% | 0 | Cum & NPV Profitability | 95% | 0 |
| ELROND NPL 2017 S.r.l. | 2021 Q3 | Semi-annual | 8 | 67.2% | 132.6% | Not applicable | Not available | 0 | Cum & NPV Profitability | 100% | 8 |
| Futura 2019 S.r.l. | 2021 Q3 | Semi-annual | 3 | 123.6% | 108.7% | Cum & NPV Profitability | 100% | 0 | NPV Profitability | 100% | 0 |
| IBLA S.r.l. | 2022 Q3 | Semi-annual | 6 | 78.4% | 137.8% | Cum & NPV Profitability | 85% | 2 | NPV Profitability | 90% | 0 |
| IFIS NPL 2021-1 SPV S.R.L. | 2021 Q3 | Semi-annual | 1 | 101.0% | 113.0% | Cum & NPV Profitability | 100% | 0 | Cumulative Collection Ratio | 100% | 0 |
| ISEO SPV S.r.l. | 2021 Q3 | Semi-annual | 3 | 79.8% | 113.1% | Cum & NPV Profitability | 90% | 3 | Cum & NPV Profitability | 95% | 3 |
| Juno 1 S.r.l. | 2021 Q3 | Semi-annual | 6 | 110.1% | 117.6% | Cum & NPV Profitability | 85% | 0 | NPV Profitability | 95% | 1 |
| Juno 2 S.r.l. | 2021 Q3 | Semi-annual | 5 | 103.5% | 108.6% | Cum & NPV Profitability | 85% | 0 | NPV Profitability | 95% | 0 |
| Leviticus SPV S.r.l. | 2021 Q3 | Semi-annual | 5 | 79.7% | 105.9% | Cum & NPV Profitability | 70% | 0 | NPV Profitability | 100% | 0 |
| MAIOR SPV S.r.l. | 2021 Q3 | Semi-annual | 6 | 90.4% | 99.3% | Cum & NPV Profitability | 90% | 0 | NPV Profitability | 95% | 0 |
| Maggese S.r.l. | 2022 Q1 | Semi-annual | 6 | 60.0% | 99.2% | Cum & NPV Profitability | 90% | 2 | NPV Profitability | 95% | 0 |
| Marathon SPV S.r.l. | 2021 Q4 | Quarterly | 8 | 103.2% | Not available | Cumulative Collection Ratio | 80% | 0 | Cumulative Collection Ratio | 95% | 0 |
| POP NPLs 2020 S.r.l. | 2021 Q4 | Semi-annual | 2 | 153.6% | 113.6% | Cum & NPV Profitability | 90% | 0 | Cum & NPV Profitability | 100% | 0 |
| POP NPLs 2018 S.r.l. | 2021 Q4 | Semi-annual | 6 | 122.5% | 111.4% | Cum & NPV Profitability | 90% | 0 | NPV Profitability | 110% | 1 |
| POP NPLs 2019 S.r.l. | 2021 Q3 | Semi-annual | 3 | 127.4% | 138.8% | Cum & NPV Profitability | 90% | 0 | Cum & NPV Profitability | 90% | 0 |
| Prisma SPV S.r.l. | 2021 Q4 | Semi-annual | 4 | 90.9% | 98.2% | Cum & NPV Profitability | 90% | 0 | Cum & NPV Profitability | 95% | 3 |
| Red Sea SPV S.r.l. | 2021 Q4 | Semi-annual | 7 | 94.7% | 109.7% | Cum & NPV Profitability | 70% | 0 | NPV Profitability | 100% | 0 |
| Relais SPV S.r.l. | 2021 Q3 | Semi-annual | 1 | 134.3% | 134.9% | Cum & NPV Profitability | 90% | 0 | Cum & NPV Profitability | 90% | 0 |
| Riviera NPL S.r.l. | 2021 Q3 | Semi-annual | 5 | 67.9% | 105.8% | Cum & NPV Profitability | 90% | 2 | Cum & NPV Profitability | 100% | 2 |
| Siena NPL 2018 S.r.l. | 2021 Q4 | Quarterly | 14 | 55.7% | 93.9% | Cumulative Collection Ratio | 50% | 0 | Cumulative Collection Ratio | 90% | 11 |
| Sirio NPL S.r.l. | 2021 Q3 | Semi-annual | 2 | 173.3% | 153.3% | Cumulative Collection Ratio | 95% | 0 | Cumulative Collection Ratio | 90% | 0 |
| Spring SPV S.r.l. | 2021 Q3 | Semi-annual | 3 | 146.8% | 104.7% | Cum & NPV Profitability | 95% | 0 | Cum & NPV Profitability | 95% | 0 |
| Summer SPV S.r.l. | 2021 Q4 | Semi-annual | 2 | 304.4% | 127.7% | Cum & NPV Profitability | 90% | 0 | Cum & NPV Profitability | 95% | 0 |
| Titan SPV S.r.l. | 2021 Q3 | Semi-annual | 1 | 131.5% | 938.8% | Cum & NPV Profitability | 90% | 0 | Cum & NPV Profitability | 95% | 0 |
| Yoda SPV S.r.l. | 2021 Q4 | Quarterly | 2 | 111.4% | 145.8% | Cum & NPV Profitability | 90% | 0 | Cum & NPV Profitability | 90% | 0 |

Source: Scope computations on servicers and payment reports.

¹⁴ In the column "Definition of Subordination Event", "Cum" stands for "Cumulative Collection Ratio".



Semi-annual Italian NPL performance report: 60% of transactions set to under-perform by 2022

Appendix II. Summary of transaction performance

| Transaction Name | Current Class A Rating | Current Class B Rating | Latest IPD | Scope B Case Profitability | Gross Performance vs Business Plan | Net Performance vs Business Plan | Performance on NPVR | Performance on CCR | Subordination Event | Underperformance Event |
|----------------------------|------------------------|------------------------|------------|----------------------------|------------------------------------|----------------------------------|---------------------|--------------------|---------------------|------------------------|
| 2Worlds S.r.l. | BB+ | CCC | 6 | Underperformance | Underperformance | Underperformance | Overperformance | Underperformance | N | N |
| 4Mori Sardegna S.r.l. | BBB+ | B | 6 | Underperformance | Underperformance | Underperformance | Overperformance | Underperformance | Y | N |
| Aqui SPV S.r.l. | BB | NR | 6 | Underperformance | Underperformance | Underperformance | Overperformance | Underperformance | N | N |
| Aragom NPL 2018 S.r.l. | B | CC | 6 | Underperformance | Underperformance | Underperformance | Overperformance | Underperformance | Y | Y |
| Bari NPL 2 S.r.l. | B- | C | 8 | Underperformance | Underperformance | Underperformance | Underperformance | Underperformance | Y | Y |
| BCC NPLs 2018 S.r.l. | B+ | C | 6 | Underperformance | Underperformance | Underperformance | Underperformance | Underperformance | Y | Y |
| BCC NPLs 2018-II S.r.l. | BBB- | B- | 5 | Underperformance | Underperformance | Underperformance | Overperformance | Underperformance | Y | Y |
| BCC NPLs 2019 S.r.l. | BBB | CCC | 3 | Underperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| BCC NPLs 2020 S.r.l. | BBB | CC | 1 | Overperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| Belvedere NPL S.r.l. | BB- | NR | 5 | Underperformance | Underperformance | Underperformance | Underperformance | Underperformance | N | N |
| Buonconsiglio 3 S.r.l. | BBB | NR | 1 | Underperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| DIANA SPV S.r.l. | BBB | NR | 2 | Underperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| ELROND NPL 2017 S.r.l. | B+ | CCC | 8 | Underperformance | Underperformance | Underperformance | Overperformance | Underperformance | N | Y |
| Futura 2019 S.r.l. | BBB | NR | 3 | Underperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| IBLA S.r.l. | BBB | B | 6 | Underperformance | Underperformance | Underperformance | Overperformance | Underperformance | Y | N |
| IFIS NPL 2021-1 SPV S.R.L. | A- | B+ | 1 | Not available | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| ISEO SPV S.r.l. | BBB- | NR | 3 | Underperformance | Underperformance | Underperformance | Overperformance | Underperformance | Y | Y |
| Juno 1 S.r.l. | BBB+ | NR | 6 | Underperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | Y |
| Juno 2 S.r.l. | BBB+ | NR | 5 | Overperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| Leviticus SPV S.r.l. | BBB- | NR | 5 | Underperformance | Underperformance | Underperformance | Overperformance | Underperformance | N | N |
| Maggese S.r.l. | BB | NR | 6 | Underperformance | Underperformance | Underperformance | Underperformance | Underperformance | Y | N |
| MAIOR SPV S.r.l. | BBB | NR | 6 | Underperformance | Underperformance | Underperformance | Underperformance | Underperformance | N | N |
| Marathon SPV S.r.l. | BBB+ | BB | 8 | Overperformance | Overperformance | Overperformance | Underperformance | Overperformance | N | N |
| POP NPLs 2018 S.r.l. | BB | CCC | 6 | Underperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | Y |
| POP NPLs 2019 S.r.l. | BBB | CCC | 3 | Underperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| POP NPLs 2020 S.r.l. | BBB | CC | 2 | Underperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| Prisma SPV S.r.l. | BBB | B- | 4 | Underperformance | Underperformance | Underperformance | Underperformance | Underperformance | N | Y |
| Red Sea SPV S.r.l. | BBB- | NR | 7 | Underperformance | Underperformance | Underperformance | Overperformance | Underperformance | N | N |
| Relais SPV S.r.l. | BBB | NR | 1 | Underperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| Riviera NPL S.r.l. | BB+ | CCC | 5 | Underperformance | Underperformance | Underperformance | Overperformance | Underperformance | Y | Y |
| Siena NPL 2018 S.r.l. | BBB+ | NR | 14 | Underperformance | Underperformance | Underperformance | Underperformance | Underperformance | N | Y |
| Sirio NPL S.r.l. | BBB | NR | 2 | Overperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| Spring SPV S.r.l. | BBB | NR | 3 | Underperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| Summer SPV S.r.l. | BBB | NR | 2 | Overperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| Titan SPV S.r.l. | BBB | NR | 1 | Underperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |
| Yoda SPV S.r.l. | BBB | NR | 2 | Underperformance | Overperformance | Overperformance | Overperformance | Overperformance | N | N |

Source: Scope computations on servicers and payment reports.



Semi-annual Italian NPL performance report: 60% of transactions set to under-perform by 2022

Appendix III. NPL securitisations rated by Scope (Italy)

| Deal name/Link to Rating report | Issuance | Seller | Servicer (master and special) | GBV (million) | Scope class A rating | | Scope class B rating | | Coupon A/B | GACS (Y/N) |
|---|-----------|---|---|---------------|----------------------|---------|----------------------|-----------|------------------|------------|
| | | | | | At closing | Current | At closing | Current | | |
| Elrond NPL 2017 Srl | 17-Jul-17 | Credito Valtellinese SpA, Credito Siciliano SpA | Cerved Credit Management SpA, Securitisation Services SpA | 1,422 | BBB- | B+ | B+ | CCC | 6mE+0.5%/6mE+6% | Y |
| Bari NPL 2017 Srl | 17-Dec-17 | Banca Popolare di Bari Scpa, Cassa di Risparmio di Orvieto SpA | Prelios Credit Servicing SpA | 345 | BBB | B- | B+ | C | 6mE+0.3%/6mE+6% | Y |
| GBV of GACS eligible securitisations rated by Scope 2017 (EUR million) | | | | 1,767 | | | | | | |
| Siena NPL 2018 Srl | 18-May-18 | Monte dei Paschi di Siena SpA, MPS Capital Services Banca per le Imprese SpA, MPS Leasing & Factoring SpA | Juliet SpA, Italfondario SpA, Credito Fondiario SpA, Prelios Credit Servicing SpA | 24,070 | BBB+ | BBB+ | Not Rated | Not Rated | 3mE+1.5%/3mE+8% | Y |
| Aragorn NPL 2018 Srl | 18-Jun-18 | Credito Valtellinese SpA, Credito Siciliano SpA | Credito Fondiario SpA, Cerved Credit Management SpA | 1,671 | BBB- | B | B | CC | 6mE+0.5%/6mE+7% | Y |
| Red Sea SPV Srl | 18-Jun-18 | Banco BPM SpA and Banca Popolare di Milano SpA | Prelios Credit Servicing SpA | 5,097 | BBB | BBB- | Not Rated | Not Rated | 6mE+0.6%/6mE+6% | Y |
| 4Mori Sardegna Srl | 18-Jun-18 | Banco di Sardegna SpA | Prelios Credit Servicing SpA | 1,045 | A- | BBB+ | BB- | B | 6mE+0.9%/6mE+8% | Y |
| 2Worlds Srl | 18-Jun-18 | Banco di Desio e della Brianza SpA, Banca Popolare di Spoleto SpA | Cerved Credit Management SpA, Cerved Master Services SpA | 1,002 | BBB | BB+ | B | CCC | 6mE+0.4%/6mE+8% | Y |
| BCC NPLS 2018 srl | 18-Jul-18 | 21 co-operative banks co-ordinated by Iccrea SpA and two banks belonging to ICCREA Banca SpA | Prelios Credit Servicing SpA | 1,046 | BBB- | B+ | B+ | C | 6mE+0.4%/6mE+6% | Y |
| Juno 1 Srl | 18-Jul-18 | Banca Nazionale del Lavoro SpA | Prelios Credit Servicing SpA | 957 | BBB+ | BBB+ | Not Rated | Not Rated | 6mE+0.6%/6mE+8% | Y |
| Maggese Srl | 18-Jul-18 | Cassa di Risparmio di Asti SpA, Cassa di Risparmio di Biella e Vercelli-Biverbanca SpA | Prelios Credit Servicing SpA | 697 | BBB | BB | Not Rated | Not Rated | 6mE+0.5%/6mE+6% | Y |
| Maior SPV Srl | 18-Aug-18 | Unione di Banche Italiane SpA and IW Bank SpA | Prelios Credit Servicing SpA | 2,749 | BBB | BBB | Not Rated | Not Rated | 6mE+0.5%/6mE+6% | Y |
| IBLA Srl | 18-Sep-18 | Banca Agricola Popolare di Ragusa ScpA | Italfondario SpA | 349 | BBB | BBB | B | B | 6mE+0.6%/6mE+8% | Y |
| AQUI SPV Srl | 18-Nov-18 | BPER Banca SpA, Cassa di Risparmio di Saluzzo SpA and Cassa di Risparmio di Bra SpA | Prelios Credit Servicing SpA | 2,082 | BBB- | BB | Not Rated | Not Rated | 6mE+0.5%/6mE+7% | Y |
| POP NPLS 2018 Srl | 18-Nov-18 | 17 banks | Cerved Credit Management SpA, Cerved Master Services SpA | 1,578 | BBB | BB | B | CCC | 6mE+0.3%/6mE+6% | Y |
| Riviera NPL Srl | 18-Dec-18 | Banca Carige SpA and Banca del Monte di Lucca SpA | Italfondario SpA, Credito Fondiario SpA | 964 | BBB- | BB+ | B+ | CCC | 6mE+0.65%/6mE+7% | Y |
| BCC NPLS 2018-2 Srl | 18-Dec-18 | 73 co-operative banks | Italfondario SpA | 2,004 | BBB | BBB- | B+ | B- | 6mE+0.3%/6mE+6% | Y |
| Belvedere SPV Srl | 21-Dec-18 | Gemini SPV Srl, Sirius SPV Srl, Antares SPV Srl, 1702 SPV Srl, Adige SPV Srl | Bayview Italia S.r.l. , Prelios Credit Servicing S.p.A. | 2,541 | BBB | BB- | Not Rated | Not Rated | 6mE+3.25%/6% | N |
| GBV of GACS eligible securitisations rated by Scope 2018 (EUR million) | | | | 45,311 | | | | | | |
| GBV of securitisations rated by Scope 2018 (EUR million) | | | | 47,852 | | | | | | |



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| | | | | | | | | | | |
|---|-----------|--|---|---------------|------|------|-----------|-----------|--------------------|---|
| Leviticus SPV Srl | 19-Feb-19 | Banco BPM SpA | Credito Fondiario SpA | 7,385 | BBB | BBB- | Not Rated | Not Rated | 6mE+0.6%/6mE+8% | Y |
| Juno 2 Srl | 19-Feb-19 | Banca Nazionale del Lavoro SpA | Prelios Credit Servicing SpA | 968 | BBB+ | BBB+ | Not Rated | Not Rated | 6mE+0.6%/6mE+8% | Y |
| Prisma | 18-Oct-19 | Unicredit SpA | Italfondionario SpA, doValue SpA | 6,057 | BBB+ | BBB | B- | B- | 6mE+1.5%/6mE+9% | Y |
| Marathon SPV Srl | 05-Dec-19 | Marte SPV Srl, Pinzolo SPV Srl | Hoist Italia Srl, Securitisation Services SpA | 5027 | BBB+ | BBB+ | BB | BB | 1.8%/8% | N |
| Iseo SPV Srl | 16-Dec-19 | UBI Banca SpA | Italfondionario SpA, doValue SpA | 858 | BBB | BBB- | Not Rated | Not Rated | 6mE+0.5% | Y |
| Futura 2019 Srl | 16-Dec-19 | Futura SPV Srl | Guber Banca SpA | 1,256 | BBB | BBB | Not Rated | Not Rated | 6mE+0.3% | N |
| BCC NPLs 2019 S.r.l. | 19-Dec-19 | 68 banks | Italfondionario SpA, doValue SpA | 1,324 | BBB+ | BBB | B- | CCC | 6mE+0.3%/6mE+6.5% | Y |
| POP NPLs 2019 S.r.l. | 23-Dec-19 | 12 banks | Prelios Credit Servicing SpA, Fire SpA | 826.7 | BBB | BBB | CCC | CCC | 6mE+0.3%/6mE+9.5% | Y |
| GBV of GACS-eligible securitisations rated by Scope 2019 (EUR million) | | | | 17,419 | | | | | | |
| GBV of securitisations rated by Scope 2019 (EUR million) | | | | 23,702 | | | | | | |
| Diana SPV Srl | 20-Jun-20 | Banca Popolare di Sondrio SCpA | Prelios Credit Servicing SpA | 1,000 | BBB | BBB | Not Rated | Not Rated | 6mE+0.5%/6mE+9.0% | Y |
| Spring SPV Srl | 20-Jun-20 | BPER Banca SpA, Banco di Sardegna SpA, Cassa di Risparmio di Bra SpA | Prelios Credit Servicing SpA | 1,377 | BBB | BBB | Not Rated | Not Rated | 6mE+0.5%/6mE+9.5% | Y |
| BCC NPLs 2020 S.r.l. | 30-Nov-20 | 88 BCCs, Banca Ifis S.p.A., Banca Popolare Valconca S.p.A. | doValue SpA | 2,347 | BBB | BBB | CC | CC | 6mE+0.25/6mE+8.0% | Y |
| Relais SPV S.r.l. | 11-Dec-20 | Unicredit Leasing S.p.A. | doValue SpA | 1,583 | BBB | BBB | Not Rated | Not Rated | 6mE+1.5%/6mE+9.5% | Y |
| Buonconsiglio 3 S.r.l. | 14-Dec-20 | 38 banks | Guber Banca SpA, Zenith Service S.p.A. | 679 | BBB | BBB | Not Rated | Not Rated | 6mE+0.5%/6mE+9.5% | Y |
| Sirio NPL S.r.l. | 16-Dec-20 | UBI Banca SpA | Prelios Credit Servicing SpA | 1,228 | BBB | BBB | Not Rated | Not Rated | 6mE+0.5%/6mE+9.5% | Y |
| Yoda SPV S.r.l. | 18-Dec-20 | Intesa Sanpaolo SpA | Intrum Italy SpA, Banca Finint SpA | 6,033 | BBB | BBB | Not Rated | Not Rated | 3mE+0.5%/3mE+9.5 | Y |
| POP NPLS 2020 Srl | 23-Dec-20 | 15 banks | Credito Fondiario SpA, Fire SpA | 920 | BBB | BBB | CC | CC | 6mE+0.3%/6mE+12.0% | Y |
| Titan SPV Srl | 28-Dec-20 | Alba Leasing SpA, Release SpA, Banco BPM SpA | Prelios Credit Servicing SpA | 335 | BBB | BBB | Not Rated | Not Rated | 6mE+0.5%/6mE+8.0% | Y |
| Summer SPV S.r.l. | 30-Dec-20 | BPER Banca SpA, Banco di Sardegna SpA | Fire SpA | 322 | BBB | BBB | Not Rated | Not Rated | 6mE+0.5%/6mE+12.0% | Y |
| GBV of GACS-eligible securitisations rated by Scope 2020 (EUR million) | | | | 15,824 | | | | | | |
| IFIS NPL 2021-1 SPV Sr.l. | 19-Mar-21 | Ifis NPL Investing SpA | Ifis Servicing SpA | 1,323 | A- | A- | B+ | B+ | 6mE+2.15%/6.0% | N |
| Aurelia SPV S.r.l. | 22-Jun-21 | Banco BPM SpA | Credito Fondiario SpA, CF Liberty SpA | 1,510 | BBB | BBB | Not Rated | Not Rated | 6mE+0.5%/6mE+8.0% | Y |



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| | | | | | | | | | | |
|--|-----------|---|--|----------------|------|------|--------------------|--------------------|-----------------------|---|
| Palatino SPV S.r.l. | 25-Jun-21 | Credito Fondiario SpA | Credito Fondiario SpA | 865 | BBB | BBB | Not Rated | Not Rated | 6mE+2.5%/6mE +3.5%/8% | N |
| Aporti SPV S.r.l. | 28-Jun-21 | Aporti S.r.l. | Prelios Credit Servicing SpA | 356 | BBB | BBB | Not Publicly Rated | Not Publicly Rated | 6mE+2.8%/6mE + 7.25% | N |
| Olympia SPV S.r.l. | 25-Nov-21 | Unicredit SpA | Italfondario SpA, doValue SpA | 2,168 | BBB | BBB | Not Rated | Not Rated | 6mE+1.5%/6mE + 9.5% | Y |
| BCC NPLs 2021 S.r.l. | 29-Nov-21 | 74 banks | Italfondario SpA, doValue SpA | 1,312 | BBB | BBB | CCC | CCC | 6mE+0.35%/6mE + 8.0% | Y |
| Buonconsiglio 4 S.r.l. | 14-Dec-21 | 38 banks | Prelios Credit Servicing SpA | 579 | BBB | BBB | Not Rated | Not Rated | 6mE+0.4%/6mE + 10.0% | Y |
| Groggu SPV S.r.l. | 15-Dec-21 | Intesa Sanpaolo SpA, BPER Banca SpA | Banca Finint SpA, Intrum Italy SpA, Prelios Credit Solutions SpA | 3,077 | BBB+ | BBB+ | Not Rated | Not Rated | 3mE+0.75%/3mE + 9.5% | Y |
| Ortles 21 S.r.l. | 17-Dec-21 | Crédit Agricole Italy SpA, Crédit Agricole FriulAdria SpA, Credito Valtellinese SpA | Italfondario SpA, doValue SpA, Cerved Credit Management SpA | 1,834 | BBB | BBB | Not Rated | Not Rated | 3mE+0.3%/3mE + 9.5% | Y |
| GBV of GACS-eligible securitisations rated by Scope 2021 (EUR million) | | | | 10,480 | | | | | | |
| GBV of securitisations rated by Scope 2021 (EUR million) | | | | 13,024 | | | | | | |
| Total GBV of securitisations rated by Scope (EUR million) | | | | 102,168 | | | | | | |
| Total GBV of GACS-eligible securitisations rated by Scope (EUR million) | | | | 90,800 | | | | | | |



Semi-annual Italian NPL performance report: 60% of transactions set to under-perform by 2022

Appendix IV. Data disclaimer

Useful data for monitoring

In order to monitor performance, Scope analysed data provided by all relevant counterparties, including servicers, monitoring and paying agents. Servicing reports, updated business plan scenarios and collections at loan or borrower level represent part of the data analysed along with monitoring agent reports, investor reports and payment reports.

The stock of securitisations analysed for monitoring purposes is still recent, with the oldest transactions closed in 2017.

Data assumptions

For sake of comparison, Scope has synthetically computed the CCR, NPVPR and possibly other measures, for certain transactions.

This is applicable for:

- Aqi SPV S.r.l. and Juno 1 S.r.l. for which the NPVPR has been computed as the average between the NPVPR value as trigger for the interest subordination event and the NPVPR value as trigger for the under-performance event
- Belvedere NPL S.r.l. for which, given the presence of two servicers, CCR and NPVPR have been computed weighting each servicer's ratio with the relevant expected collections for each servicer's business plan.
- Siena NPL 2018 S.r.l., for which the NPVPR is not reported as it is not responsible for any event (i.e. subordination and under-performance events). We in any case computed the profitability ratio across interest- payment dates.

In case of transactions for which more than one servicer was mandated, since under-performance events were based on the ratios of each servicer, we reported that the under-performance event occurred if it occurred for at least one servicer.

Scope has performed an extensive analysis of performance data, based on the information received from all relevant counterparties.

Even though reported data are deemed to be correct, Scope is not liable for any errors in the reported data.

In case certain data are found to be incorrect, please report this directly to the authors of the article.



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