MOODY'S
RATINGS

# Rating Action: Moody's Ratings affirms the ratings of all Class A and Class B Notes in Driver Master S.A., Compartment 2

25 Jun 2024

Frankfurt am Main, June 25, 2024 -- Moody's Ratings (Moody's) has today affirmed the ratings of all the Class A and Class B Notes in Driver Master S.A., Compartment 2 following the implementation of amendments to the transaction.

....EUR 947.1M (Current Outstanding Balance EUR 6,821.2M) Series 2015-1 Class A Notes, Affirmed Aaa (sf); previously on Jun 26, 2023 Affirmed Aaa (sf)

....EUR 30M (Current Outstanding Balance EUR 100.0M) Series 2023-1 Class A Notes, Affirmed Aaa (sf); previously on Jun 26, 2023 Definitive Rating Assigned Aaa (sf)

....EUR 30M (Current Outstanding Balance EUR 180.0M) Series 2023-2 Class A Notes, Affirmed Aaa (sf); previously on Jun 26, 2023 Definitive Rating Assigned Aaa (sf)

....EUR 15M (Current Outstanding Balance EUR 100.0M) Series 2023-3 Class A Notes, Affirmed Aaa (sf); previously on Jun 26, 2023 Definitive Rating Assigned Aaa (sf)

....EUR 75M (Current Outstanding Balance EUR 100.0M) Series 2023-4 Class A Notes, Affirmed Aaa (sf); previously on Jun 26, 2023 Definitive Rating Assigned Aaa (sf)

....EUR 497.1M (Current Outstanding Balance EUR 374.2M) Series 2023-1 Class B Notes, Affirmed Aa1 (sf); previously on Jun 26, 2023 Definitive Rating Assigned Aa1 (sf)

RATINGS RATIONALE

The rating action is prompted by a number of amendments implemented as part of this restructuring and becoming effective on or around 25 June 2024.

Moody's has analysed the following amendments: (i) the extension of the revolving period by 12 months combined with the amendment of the legal final maturity of the Notes to May 2033; (ii) the introduction of an option allowing the seller to change the discount rate at which receivables are sold to the issuer, subject to certain conditions including that such discount rate variation option shall only be effective on the renewal date of the program and that such change will not trigger any downgrade of the existing rated Notes; (iii) the removal of the interest accrued on the issuer account as a source of funds for the Notes; (iv) the change on the concentration limits of ClassicCredit Loans on used cars (to 10% from 7%) and IndividualCredit loans on used cars (to 17% from 15%).

The portfolio lifetime expected loss assumption based on current portfolio balance has been maintained at 0.70% considering the historical performance of the book of the originator and the current collateral performance of the deal. The portfolio credit enhancement (PCE) has been maintained at 7.50%.

The principal methodology used in these ratings was "Moody's Global Approach to Rating Auto Loan- and Lease-Backed ABS" published in November 2023 and available at https://ratings.moodys.com/rmc-documents/411778 . Alternatively, please see the Rating Methodologies page on https://ratings.moodys.com for a copy of this methodology.

Factors that would lead to an upgrade or downgrade of the ratings:

Factors or circumstances that could lead to an upgrade of the ratings include (i) performance of the underlying collateral that is better than we expected, (ii) an increase in available credit enhancement and (iii) improvements in the credit quality of the transaction counterparties.

Factors or circumstances that could lead to a downgrade of the ratings include (i) performance of the underlying collateral is worse than we expected, (ii) a deterioration in the Notes' available credit enhancement and (iii) deterioration in the credit quality of the transaction counterparties.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on https://ratings.moodys.com/rating-definitions .

The analysis relies on an assessment of collateral characteristics to determine the collateral loss distribution, that is, the function that correlates to an assumption about the likelihood of occurrence to each level of possible losses in the collateral. As a second step, Moody's evaluates each possible collateral loss scenario using a model that replicates the relevant structural features to derive payments and therefore the ultimate potential losses for each rated instrument. The loss a rated instrument incurs in each collateral loss scenario, weighted by assumptions about the likelihood of events in that scenario occurring, results in the expected loss of the rated instrument.

For ratings issued on a program, series, category/class of debt or security this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series, category/class of debt, security or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the issuer/deal page for the respective issuer on https://ratings.moodys.com.

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