

Japan Credit Rating Agency, Ltd. (JCR) announces the following credit rating.

<Asset Securitization Products> General Investments (Cayman) Limited Series 2024-09

<Affirmation>

Pass Through Securities: BBB

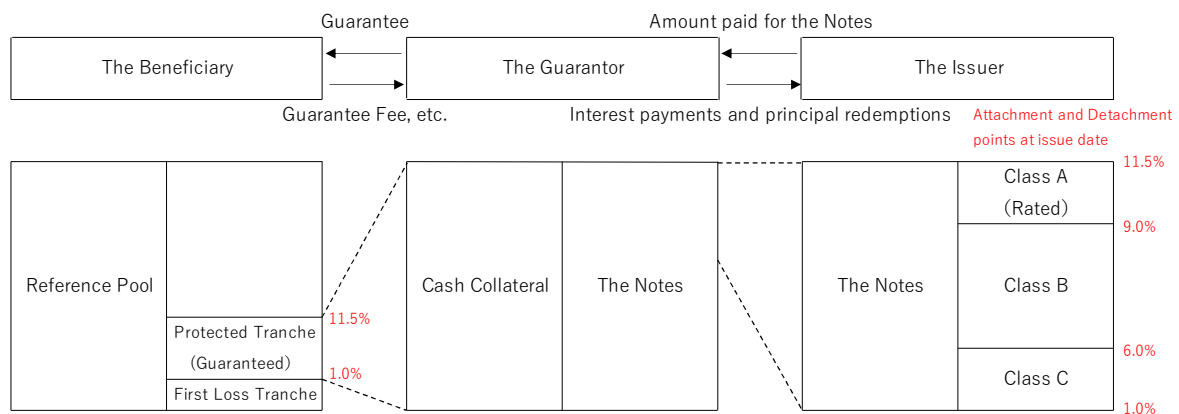
Rationale

1 Overview

(1) Securities Subject to Rating and Structure Overview

The securities subject to rating in this case is the Class A tranche issued by General Investments (Cayman) Limited (the Issuer), a Cayman Islands-registered company, with Christofferson, Robb & Company, LLC (CRC) as the arranger. In addition to this tranche, the Issuer will issue Class B, Class C1 and Class C2 (Classes C1 and C2 collectively referred to as "Class C") tranches and use the proceeds to invest in notes (the Notes) issued by an SPC (the Guarantor). The Guarantor will provide a guarantee against losses arising from a group of reference obligations (Reference Pool) held by a certain bank (the Beneficiary) in Europe, up to a certain extent of the total principal amount of the initial Reference Pool, and will deposit the proceeds from the issuance of the Notes in the Beneficiary's account as cash collateral for the performance of the guarantee. Losses up to 1.0% of the total principal amount of the initial Reference Pool will be attributable to the Beneficiary. The portion guaranteed by the Guarantor is called the Protected Tranche, and the most subordinated loss absorbing portion by the Beneficiary is called the First Loss Tranche. The Reference Pool is for loans to SMEs and midcaps, and the guarantee period runs until the end of September 2039. The principal balance of the Reference Pool decreases over time. Accordingly, the cash collateral for the guarantee will be returned to the Guarantor, and the guarantee amount will gradually decrease. The guarantee fees paid by the Beneficiary and interest income from the cash collateral are designed to be used to pay coupons on the Notes, and the cash collateral returned to the Guarantor is designed to be used to repay the principal of the Notes. It should be noted that, even if principal repayment progresses in the Reference Pool, the First Loss Tranche will not decrease. If a loss that exceeds the detachment point of the First Loss Tranche occurs, the cash collateral for the guarantee, i.e. the Protected Tranche, will bear the loss. The Issuer will use the cash flows from the Notes to repay principal and interest on each tranche. In the event of a loss on the cash collateral for this Notes, the order of priority for loss sharing will be Class C, Class B, and Class A. The initial subordination ratio for the Class A tranche, including the credit enhancement effect of the First Loss Tranche, is 9.0%.

<Structure diagram>



(2) Reference Pool

The characteristics of the Reference Pool as of the end of February 2026 are as follows:

- The lender is the Beneficiary, the debtors are SMEs and midcaps, all debt is denominated in euros, and the total debt amount is approximately 4.2 billion euros.
- The number of debts is approximately 15,500. The largest credit exposure to a single group is 0.45%; to the top 10 and top 30 groups, 3.56% and 8.33%, respectively.
- Based on the NACE classification, the largest industry exposures are to Wholesale and retail trade, repair of motor vehicles and motorcycles (25.4%), Manufacturing (20.4%), and Transportation and storage (9.3%).
- While there is a certain percentage of the loans with a long remaining period of 10 or more years, the weighted average remaining maturity is approximately 6.5 years.

This transaction has a Replenishment period during which the Beneficiary may add loans that meet certain conditions to the Reference Pool up to the amount of the repaid principal. The Replenishment period was initially one year, but the Beneficiary has extended it for an additional year with the approval of the Noteholders.

From the initial cut-off date to the end of February 2026, there have been no significant changes in the granularity or industry distribution of the Reference Pool. Although the maturity profile has lengthened moderately overall due to Replenishment, there has been no material change. While downward migration has been observed in the internal rating distribution, losses incurred have been extremely limited. In addition, various restrictions on Replenishment provide a certain degree of control over any additional deterioration in the credit risk of the Reference Pool.

2 Key Risks and Mitigating Factors

(1) Credit Risk and Recovery Risk

If losses from the Reference Pool exceed the detachment point of the Class B tranche, the principal of the rated Class A tranche will be impaired. To address these risks, loans included in the Reference Pool must have an internal rating of at least 5- (equivalent to BB-), which means that the quality of the assets is better than that of CLOs, where their managers can invest in not only B rated loans but also a certain percentage of CCC rated loans in their asset pools. The granularity of the Reference Pool is also much finer than that of CLOs. In addition, most of the loans in the Reference Pool have level payments, which reduces risk compared to asset pools with lump-sum repayments at maturity or large balloon payments. The mechanism that prevents LBO loans from being included in the reference pool is also a qualitatively supportive element. After taking these supporting factors into account, the initial subordination ratio in the securities to be rated is set at 9.0%. The fact that this transaction was arranged by the CRC Group, which has been involved in Significant Risk Transfer (SRTs) as its core business since 2003, is also thought to reduce the risk of unexpected adverse factors lurking in the Reference Pool.

(2) Risk Arising from Changes in the Reference Pool

In this transaction, there is a risk that there will be a change in the Reference Pool and a deterioration in the quality of the pool, as there is a Replenishment period of up to two years. In order to mitigate this risk, detailed eligibility criteria, including a minimum internal rating of (5-), have been set for loans that can be added to the pool. On top of that, a mechanism has been put in place so that the share of loans with internal ratings of 5- or worse will not significantly exceed 15%, and the share of loans with internal ratings of 5+ or worse will not significantly exceed 60%, in each case relative to the balance of the initial Reference Pool. Specifically, if the Reference Pool is in breach of these limits, Replenishment is permitted only where it does not worsen the degree of breach. There are also restrictions to limit the maximum credit exposure to any single borrower or to industry, to prevent deterioration in the quality of the pool.

(3) Risk Related to the Credit Assessment and Loan Protection Expertise of the Beneficiary

While there is a risk that the capabilities of the Beneficiary, as the loan originator, in credit assessment, preservation and recovery may affect the securities subject to rating, JCR believes that the following factors mitigate such risk.

- The loans in the Reference Pool were originated by a bank with a solid business foundation and a long history of lending operations.
- The Beneficiary was reviewed by the CRC Group, which has been working on SRT for many years and the Reference Pool was extracted with the involvement of the Group.
- The loans included in the Reference Pool are expected to receive follow-up services comparable to other loans held by the Beneficiary.

(4) Risk Related to the Redemption Method

In this transaction, there is a risk that the subordination ratio of the Class A tranche will decrease due to the existence of Reverse Sequential Amortisation. The target floor for the subordination ratio for the Class A tranche is a minimum of 4.0% and 6.0% after the cumulative default rate exceeds a certain level, meaningfully lower than the initial 9.0%. For these risks, JCR believes that the Switch to Sequential Amortisation Event for the guarantee related to the Notes is highly likely to be triggered within three to four years of the start of the transaction, which will put a stop to the significant decline in the subordination ratio for the Class A tranche. In addition, if the cumulative default rate exceeds a certain level, the scheme also mitigates the risk by adopting either the proportional or sequential pay redemption method only. Furthermore, as Replenishment has been conducted continuously from the start of the transaction to the end of February 2026, no principal redemption of the Notes has been made. Accordingly, the existence of the Replenishment period has slowed the pace of decline in the subordination ratio of the Class A tranche.

(5) Counterparty Risk

The main sources of cash flow for this transaction are guarantee fees paid by the Beneficiary and withdrawal of cash collateral (principal repayment on the Reference Pool). The cash collateral has been deposited in the account of the Beneficiary. Therefore, if a credit event or the like were to occur to the Beneficiary, there is a risk that this transaction would also be adversely affected. On this point, JCR believes that the creditworthiness of the Beneficiary is at a higher level than the creditworthiness of the securities subject to rating, and therefore the transaction is not adversely affected by the counterparty risk. The deposit account must be transferred to a bank with an investment grade rating if the external rating of the Beneficiary falls below investment grade; and CRC Group checks the external ratings of the depository banks on a daily basis. This makes it less likely for the principal of the rated securities to be impaired even if the creditworthiness of the Beneficiary deteriorates in the future.

3 Key Points of Analysis

(1) Analysis Approach

JCR conducted Monte Carlo simulations that take into account (i) the expected default rate corresponding to the internal ratings, (ii) default correlation within the industry, (iii) macroeconomic default correlation, and (iv) LGD, to determine the distribution of losses (risk curve) that may occur in the Reference Pool. In doing so, we reflected, to the extent possible, the repayment schedule of loans and the extension of the remaining maturity of the Reference Pool due to the existence of a Replenishment period. We did not take into account the call options, and instead considered the default and recovery risks up to maturity of the loans that make up the Reference Pool.

(2) Results of Quantitative Analysis

As of the end of February 2026, the subordination ratio of the Class A tranche has remained close to its initial level because Replenishment has been conducted continuously and no principal redemption of the Notes has been made, and because losses incurred relative to the initial Reference Pool have been extremely limited. Considering the change in the rating composition of the reference pool over time and the existence of the Switch to Sequential Amortisation Event, JCR believes that the subordination ratio for the Class A tranche is highly likely to remain at around 8.0%. Based on the above, the results of the Monte Carlo simulation mentioned above confirmed that the probability of debt repayment for the Class A tranche is at a satisfactory level compared to BBB rating.

(3) Sensitivity Analysis

If the subordination ratio declines further, the following sensitivity to the impact on the rating is expected, although it will depend on factors such as the distribution of internal ratings of the Reference Pool.

Subordination ratio for Class A tranche	Approximately 6.0-6.5%	Less than 6.0%
Impact on Rating	-1 notch	- 2 notches or more

Tomohiko Iwasaki, Hisao Hamaguchi, Kengo Umezawa

Rating

<Affirmation>

Instrument Name	Amount	Initial Subordination Ratio	Legal Maturity*	Coupon Type	Rating
Series 2024-09 Class A	EUR 39,285,714	9.00%	October 1, 2041	Floating	BBB

* Including a two-year extension period

<Information on Outline of Issue>

Issue Date: December 10, 2024

Redemption Method: Quarterly redemptions based on cash flows from the Notes

* A structure in which the redemption ratio between each class of tranche changes depending on the cumulative default rate of the Reference Pool and the detachment point of the Class C tranche.

* If a Switch to Sequential Amortisation Event under the agreement for the Notes occurs, redemption of the Notes and the rated securities will be suspended until the Reference Pool becomes equal to the sum of the guarantee amount and the First Loss Tranche.

Credit Enhancement & Liquidity Facility: Senior-subordinated structure

* Initial subordination ratio : 9.00% ((Class B + Class C + First Loss Tranche) / Reference Pool)

Disclosure Requirements for Securitization Transaction Ratings with respect to Basel II have been met.

<Information on Structure and Stakeholders>

Secured Limited Recourse Debt Issuance Programme: General Investments (Cayman) Limited

Arranger: Christofferson, Robb & Company, LLC

Originator, etc.: A large bank in Europe

Financial Institution where the cash collateral is deposited: A large bank in Europe

<Information on Underlying Assets>

Outline of Underlying Assets: The cash collateral to be made by the Guarantor, who is the issuer of the Notes, and the guarantee fee to be paid by the Beneficiary, etc.

Rating Assignment Date: May 28, 2026

The assumptions for the credit ratings and the definitions of the rating symbols are published as "Types of Credit Ratings and Definitions of Rating Symbols" (January 6, 2014) in Information about JCR Ratings on JCR's website (<https://www.jcr.co.jp/en/>).

Outline of the rating methodology is shown as "Synthetic CDOs" (September 24, 2019) in Information about JCR Ratings on JCR's website (<https://www.jcr.co.jp/en/>). Rating methodologies for other ancillary points such as eligible deposit accounts and bankruptcy remoteness are also shown within the same page.

The rating stakeholder participated in the rating process of the aforementioned credit ratings.

Japan Credit Rating Agency, Ltd.

Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

Information herein has been obtained by JCR from the issuers and other sources believed to be accurate and reliable. However, because of the possibility of human or mechanical error as well as other factors, JCR makes no representation or warranty, express or implied, as to accuracy, results, adequacy, timeliness, completeness or merchantability, or fitness for any particular purpose, with respect to any such information, and is not responsible for any errors or omissions, or for results obtained from the use of such information. Under no circumstances will JCR be liable for any special, indirect, incidental or consequential damages of any kind caused by the use of any such information, including but not limited to, lost opportunity or lost money, whether in contract, tort, strict liability or otherwise, and whether such damages are foreseeable or unforeseeable. JCR's ratings and credit assessments are statements of JCR's current and comprehensive opinion regarding redemption possibility, etc. of financial obligations assumed by the issuers or financial products, and not statements of opinion regarding any risk other than credit risk, such as market liquidity risk or price fluctuation risk. JCR's ratings and credit assessments are statements of opinion, and not statements of fact as to credit risk decisions or recommendations regarding decisions to purchase, sell or hold any securities such as individual bonds or commercial paper. The ratings and credit assessments may be changed, suspended or withdrawn as a result of changes in or unavailability of information as well as other factors. JCR receives a rating fee paid by issuers for conducting rating services in principle. JCR retains all rights pertaining to this document, including JCR's rating data. Any reproduction, adaptation, alteration, etc. of this document, including such rating data, is prohibited, whether or not wholly or partly, without prior consent of JCR.

JCR is registered as a "Nationally Recognized Statistical Rating Organization" with the U.S. Securities and Exchange Commission with respect to the following four classes. (1) Financial institutions, brokers and dealers, (2) Insurance Companies, (3) Corporate Issuers, (4) Issuers of government securities, municipal securities and foreign government securities.

JCR publishes its press releases regarding the rating actions both in Japanese and in English on the same day. In case that it takes time to translate rating rationale, JCR may publicize the summary version, which will be replaced by the full translated version within three business days. (Regarding Structured Finance products, JCR only publicize the summary version in English.)