

ARC Ratings, S.A. withdraws its public, final 'CC(sf)' rating accorded to the Series 2018-GLB1 Senior Secured Notes issued by German Listed Bonds PLC with negative outlook

London, 30 April 2020 – ARC Ratings, S.A. (ARC) has withdrawn its public, final 'CC(sf)' rating accorded to the Series 2018-GLB1 Senior Secured Notes (the 'Notes') issued by German Listed Bonds PLC (the 'Issuer') by mutual agreement with the Issuer on account of investors in the Notes having direct contact with the Issuer and its advisers and the rating having no further value to them.

ARC has been informed by the Issuer that all interest payments to Noteholders have been paid in full and on time, the most recent payment having been made by drawing on the transaction's Interest Reserve Account due to both underlying borrowers now being in default under their loans as most recently set out in ARC's press release dated 27 January 2020. ARC also understands that the Interest Reserve Account holds sufficient funds to continue to pay interest on the Notes until their final maturity on 17 April 2022. However, full repayment of principal on the Notes on or before their final maturity remains in question, notwithstanding the fact that they are secured, given the circumstances set out in the 27 January 2020 press release.

There have been no updated valuations on the properties underlying the two loans and therefore no clear indication of the likely recovery rate for the Notes. Indeed, the situation is compounded by the fact that the broader group to which both borrowers belong is the subject of a complex reorganisation also involving claims from numerous creditors other than the Issuer.

Although ARC anticipates that the Notes are at serious risk of default in the future they are not, at this time, technically in default, hence there is no downgrade from the rating accorded on 27 January 2020. However, ARC will discontinue rating coverage of this issue with immediate effect.

THIS DISCLOSURE IS FOR INFORMATION PURPOSES ONLY

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ARC Ratings, S.A. is registered as a Credit Rating Agency (CRA) by the European Securities and Markets Authority (ESMA), within the scope of the REGULATION (EC) N° 1060/2009 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, of 16 September, and recognised as External Credit Assessment Institution (ECAI).

This Review Report should be read together with initial Rating Report and with the subsequent Review reports.

Ratings assigned by ARC Ratings represent opinions on the capacity and willingness of an entity to make all required payments on a given obligation in a timely manner. The meaning of each rating category is explained in www.arcratings.com.

The rating(s) assigned by ARC Ratings in this report was / were sought by the entity whose financial commitments are being rated.

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ARC Ratings, S.A. historical default rates are published in the European Securities and Markets Authority Central Repository (CEREP) which can be accessed on the website cerep.esma.europa.eu/cerep-web/. ARC Ratings default rate is the probability of lack of full and timely payment of capital or interest or of the occurrence of any event that explicitly indicates that the future full and timely payment of those commitments will not occur (e.g., in case of insolvency).

Ratings do not constitute a recommendation to buy or sell, but only one of the factors to be weighted by investors.

Throughout the entire period during which ratings are valid, ARC Ratings monitors the issuer's performance on a constant basis, and may even bring forward the date of the review unless stated as point in time. Hence, prior to an investor using a rating, ARC Ratings recommends that it be confirmed, namely by consulting the list of public ratings available on the website www.arcratings.com.

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