Dilosk RMBS No.10 DAC

KBRA has completed a surveillance review for Dilosk RMBS No.10 DAC (Dilosk RMBS 10), which resulted in the affirmation of the class A loan notes, class A notes and class B notes, and the upgrade of the class C notes, class D notes, class E notes and class F notes. KBRA's analysis indicated that the existing credit enhancement is sufficient to support the rating actions.

Dilosk RMBS 10 is a static RMBS securitisation primarily backed by seasoned, performing Irish mortgages. The portfolio has a current balance of €250.8 million (€325.7 million original balance) and is predominantly secured by owner-occupied residential properties (99.8%). The mortgage loans were originated by First Active plc (First Active) between the years 2003 and 2008 and are serviced by Dilosk DAC, who has delegated its servicing to BCMGlobal ASI Limited. As of July 2026, Dilosk DAC has entered into an agreement to be acquired by Pepper Advantage. KBRA will continue to monitor any future operational or servicing-related developments and assess their potential impact on the transaction.

The portfolio currently has a weighted average seasoning of 20.5 years with a weighted average remaining term of 13.1 years. The transaction closed in September 2024, with the first optional redemption date in September 2027 and the final legal maturity date in September 2060. A full list of the rated classes, class performance information, and associated KBRA ratings and rating actions is presented below. Unless otherwise stated, the data used in this review is as of the May 2026 pool cut-off date.

Capital Structure

Class	Closing Class Bal. (€ 000's)	Current Class Bal. (€ 000's)	Note Factor	Closing C/E	Current C/E[1]	Prin. DL; Int. SF (€ 000's)	Issuance KBRA Rating	Current KBRA Rating	Current KBRA Rating Action	Current KBRA Rating Action Date
A Loan Note	100,000	74,851	74.9%	9.3%	12.3%	0.0 / 0.0	AAA (sf)	AAA (sf)	Affirm	17-Aug-2026
A	202,060	151,244	74.9%	9.3%	12.3%	0.0 / 0.0	AAA (sf)	AAA (sf)	Affirm	17-Aug-2026
B	4,880	4,880	100.0%	7.8%	10.4%	0.0 / 0.0	AA+ (sf)	AA+ (sf)	Affirm	17-Aug-2026
C	4,890	4,890	100.0%	6.3%	8.4%	0.0 / 0.0	A+ (sf)	AA- (sf)	Upgrade	17-Aug-2026
D	4,880	4,880	100.0%	4.8%	6.5%	0.0 / 0.0	BBB- (sf)	BBB (sf)	Upgrade	17-Aug-2026
E	4,070	4,070	100.0%	3.5%	4.8%	0.0 / 0.0	BB- (sf)	BB (sf)	Upgrade	17-Aug-2026
F	1,950	1,950	100.0%	2.9%	4.1%	0.0 / 0.0	B- (sf)	B (sf)	Upgrade	17-Aug-2026
Z1	2,930	2,930	100.0%	N/A	N/A	930.7 / 194.7	NR	NR	NR	N/A
Z2	6,520	6,520	100.0%	N/A	N/A	- / 1,255.5	NR	NR	NR	N/A
R (residual cert.)	2,000	2,000	100.0%	N/A	N/A	- / 0.0	NR	NR	NR	N/A
Total Class Bal. (€ 000's)	**334,180**	**258,215**	**77.3%**							
Collateral Bal. (€ 000's)[2]	**325,676**	**250,785**	**77.0%**							

C/E = Credit Enhancement; Bal. = Balance; Prin DL = Principal Deficiency Ledger for the relevant class; Int. SF = Accumulated Interest Shortfall. .
[1]The initial Credit Enhancement on the notes is provided in the form of overcollateralisation from the portfolio, liquidity reserve fund, the non-liquidity reserve fund and the flexible reserve fund.
[2] Collateral balance in the table above is as of 31 May 2026.

Key Credit Considerations	+/-
Increased Credit Enhancement Dilosk RMBS 10 follows a sequential principal payment structure. The credit enhancement for all rated classes has increased since closing owing to the deleveraging of the capital structure. Principal collections have been primarily related to scheduled loan amortisation and unscheduled principal collections, with the annualised observed prepayment rate standing at 7.5%. The portfolio has amortised by €74.9 million, resulting in a pool factor of 77.0%. Given the transaction's sequential pay structure, the class A debt, comprising the class A loan notes and class A notes, which rank pari passu, has amortised by €76.0 million to a note factor of 74.9%. Dilosk RMBS 10 permits principal available funds to be used to fund further advances and flexible drawings permitted under the terms and conditions of the underlying loans. Since closing,	+

borrowers have drawn an aggregate €4.0 million which is 1.2% of the original collateral balance, funded from available principal receipts. The Principal Deficiency Ledger (PDL) for the class Z1 notes stands at 31.8% of the current class Z1 balance, down from 52.7% in May 2025. The reduction in the class Z1 PDL balance was driven by a decline in the cohort of loans in deeper arrears (180+ days past due), as 30% of the outstanding balance of loans more than six months in arrears is allocated to the class Z1 PDL.	
Liquidity and Credit Support for Rated Notes Dilosk RMBS 10 includes three reserve funds. The liquidity reserve fund (LRF) provides liquidity support for the payment of senior expenses and interest on the class A debt. The non-liquidity reserve fund (NLRF) provides support for the payment of senior expenses and interest on the class A through class F notes. The flexible reserve fund (FRF) is available to fund permitted flexible drawings and further advances where principal receipts are insufficient. The LRF amortises over time, with a target amount equal to 1.0% of the outstanding class A debt balance on the relevant interest payment date. The LRF currently stands at its target amount of €2.4 million and has not been drawn since closing. The NLRF increases as the LRF amortises, with its required amount equal to the difference between the aggregate reserve fund requirement, set at 1.5% of the principal amount outstanding of the notes at closing, excluding the class Z2 and class R notes, and the LRF target amount. The NLRF currently stands at its target amount of €2.5 million and has not been drawn since closing. The FRF amortises over time, with a target amount equal to 0.5% of the principal amount outstanding of the notes, excluding the class Z2 and class R notes. The FRF currently stands at its target amount of €1.3 million and has not been drawn since closing.	+
Portfolio Performance The proportion of loans in three months in arrears or more stands at 1.9% of the collateral balance, down from 3.3% in May 2025, and the 2.4% observed at closing. The proportion of loans in one month in arrears or more stands at 5.1%, compared to 7.5% in May 2025 and 6.4% at closing. The portfolio weighted average coupon (WAC) has decreased to 3.3%, compared to 5.4% at closing. This decline has reduced borrowers' monthly repayment burden, as 98.4% of the loans are floating rate (93.8% linked to the ECB and 0.1% are SVR). However, in June 2026, the ECB increased its three key policy rates by 25 basis points, with market expectations pointing towards further rate increases. The average outstanding loan balance has reduced currently standing at €81,055 from €89,743 at closing. The WA CLTV (indexed) for the portfolio has reduced to 25.3% from 31.3% at closing, driven by loan amortisation and increasing house prices in Ireland. At the national level, the house price index has increased by approximately 10.2% since closing. Cumulative losses currently stand at 0.0% of the original collateral balance.	+

Below is a comparison of the underlying pool characteristics since issuance.

Figure 1: Stratification Comparison

	2026	2025*	Closing
Pool cut-off date	May 2026	May 2025	August 2024
Loans	3,094	3,408	3,629
Current Balance (€m)	250.8	290.3	325.7
Avg Curr Balance (€)	81,055	84,137	89,743
WA Coupon (%)	3.3	3.5	5.4
1m+ Arrears (% Curr Bal)	5.1	7.5	6.4
3m+ Arrears (% Curr Bal)	1.9	3.3	2.4

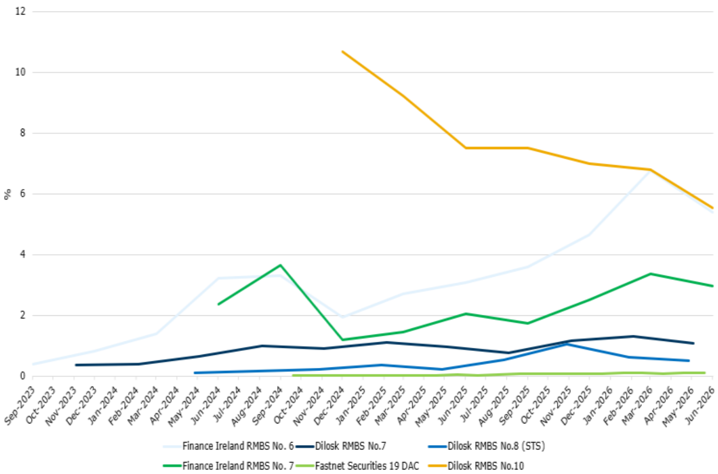
WA: Weighted Average by the current balance of each loan; LTV: Loan to Value; PRL6M: Pay rate in the last six months
*from June 2025 Investor Report

In performing these rating actions, KBRA considered the transaction's collateral performance, home price trends, and capital structure as follows:

Collateral Performance

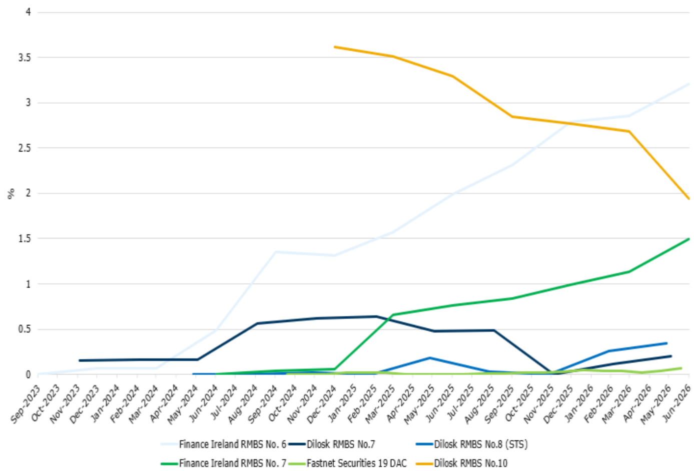
Loans one month in arrears or more now represent 5.1% of the collateral balance, compared with 6.4% at closing, while loans three months in arrears or more stand at 1.9%, compared with 2.4% at closing.

Figure 2: Loans in Arrears - 1m+



Source: KBRA, Intex

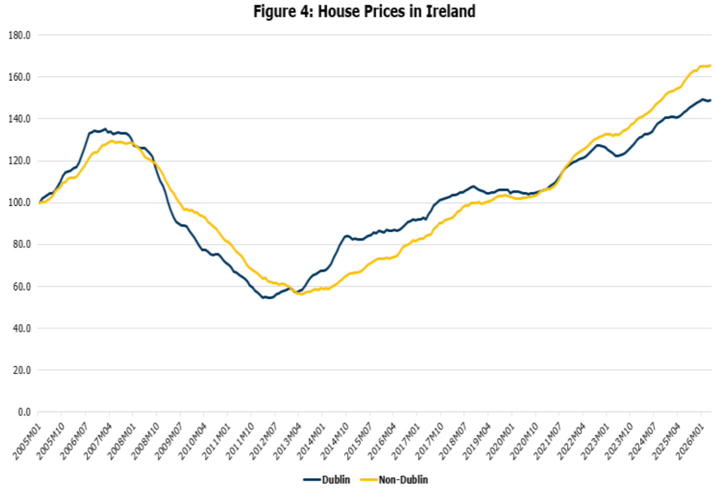
Figure 3: Loans in Arrears - 3m+



Source: KBRA, Intex

The expected loss severity for the portfolio is lower than at closing, driven by loan amortisation and the appreciation in house prices in Ireland since closing (See Figure 4). Dublin and non-Dublin house prices have increased by 7.2% and 12.5%, respectively, since closing. As of May 2026, the weighted average indexed current loan-to-value (WA Indexed CLTV) for the secured portfolio has decreased to 25.3% from 31.3% at closing, reflecting the impact of portfolio amortisation and house price appreciation. The portfolio weighted average coupon (WAC) has decreased to 3.3% from 5.4% at closing.

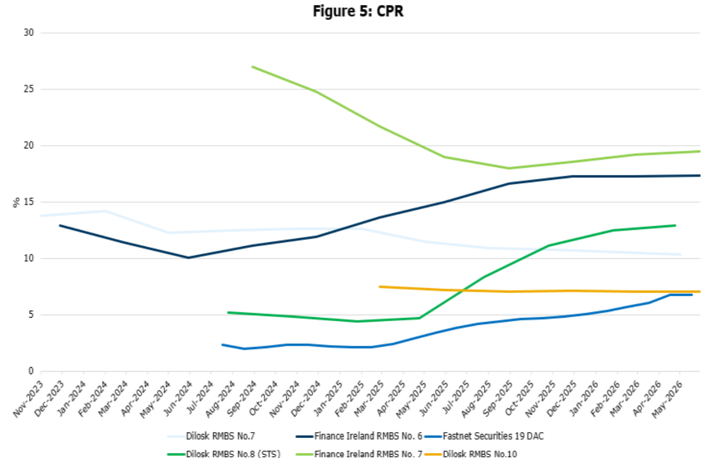
Figure 4: House Prices in Ireland



Source: CSO Ireland, KBRA

The transaction currently has no cumulative losses. Dilosk RMBS 10's annualised observed prepayment rate currently stands at 7.5% and has remained broadly stable in recent periods.

Figure 5: CPR



Source: KBRA, Intex

KBRA’s surveillance analysis, in addition to the assumptions discussed above, included other adjustments and assumptions which were analogous to those made at the time of closing of the Dilosk RMBS 10 transaction and were generally related to availability of data at closing.

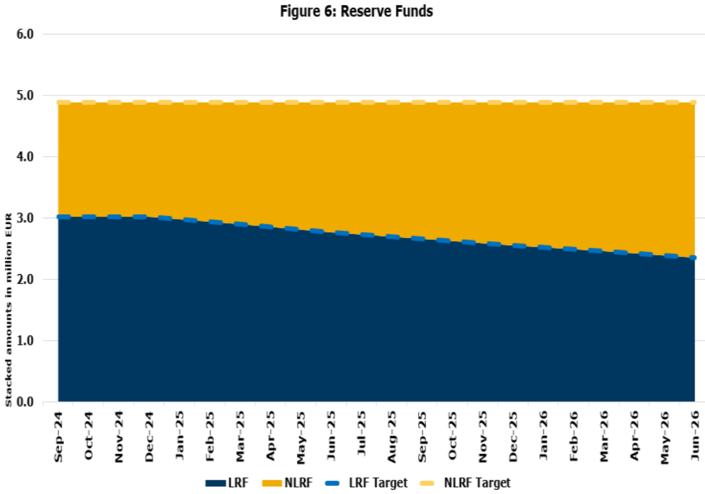
Structural Performance

Dilosk RMBS 10 amortises sequentially. This feature allows for the deleveraging of the notes over time, as principal payments to the senior notes have resulted in current credit enhancement being higher than at closing for all rated classes. As of the May 2026 payment date, the portfolio has amortised by €74.9 million to a pool factor of 77.0%, while the class A debt have amortised by €76.0 million to a note factor of 74.9%. The deleveraging of the capital structure has been primarily driven by scheduled loan amortisation and unscheduled principal collections. The PDL for the class Z1 notes stands at 31.8% of the current class Z1 balance, down from 52.7% in May 2025.

KBRA has considered potential liquidity risks and the structural mitigants for the rated notes in its new issue report. The liquidity risks are partly mitigated by a number of features including the reserves funded at closing and availability of principal receipts to pay revenue shortfalls on the most senior class of notes.

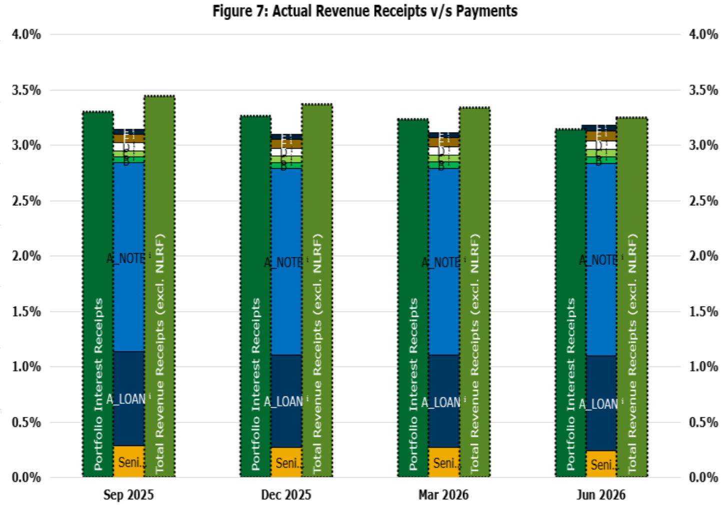
The liquidity reserve fund (LRF) currently stands at its target amount of €2.4 million and has not been drawn since closing. The non-liquidity reserve fund (NLRF), which increases as the LRF amortises, with its required amount equal to the difference between the aggregate reserve fund requirement, set at 1.5% of the principal amount outstanding of the notes at closing, excluding the class Z2 and class R notes, and the LRF target amount, currently stands at its target amount of €2.5 million and has not been drawn since closing. Please refer to Figure 6 for a graphical representation.

Figure 6: Reserve Funds



Source: Servicer Report, KBRA

Figure 7: Actual Revenue Receipts v/s Payments



(i) A, B, C, D, E, and F illustrate the interest payment paid on the relevant notes, annualised as a percentage of the portfolio.
(ii) Senior items include expenses related to Servicers’, trustee, corporate services provider, issuer profit amount and other senior fees.

Source: Servicer Report, KBRA

Based on information as of the June 2026 payment date, KBRA believes the current levels of credit enhancement and structural features are sufficient to withstand expected losses given the current collateral composition and arrears status at each related rating category. These rating actions, and KBRA’s analysis, reflect KBRA’s view that the rated classes can withstand the related rating stress scenarios.

For complete details on the original analysis performed for this transaction, please see KBRA’s New Issue Report, which was published on www.kbra.com.

Surveillance & Sensitivities

The KBRA RMBS surveillance process incorporates reviews of monthly performance data, monitoring of home prices, and on-going dialogue with and evaluation of servicers. KBRA will also use loan level data and performance data when available. The KBRA RMBS surveillance process is further described in the European RMBS Rating Methodology report.

The chart below depicts the sensitivity of and the potential impact to the subject transaction ratings to increases in KPD and KLS. Such trends are considered holistically with the factors driving the KPD and/or KLS increases. For example, an increased expectation of losses will be considered along with recent or expected trends in prepayments or deleveraging that has occurred to rated classes and resulted in increased credit support that could mitigate the risks of increased loss expectations.

Figure 8: Default and Severity Sensitivity Analysis Results

	Class A Loan Note	Class A	Class B	Class C	Class D	Class E	Class F
Ratings Assigned	AAA (sf)	AAA (sf)	AA+ (sf)	AA- (sf)	BBB (sf)	BB (sf)	B (sf)
KPD Sensitivity	**Class A Loan Note**	**Class A**	**Class B**	**Class C**	**Class D**	**Class E**	**Class F**
15% increase	AAA (sf)	AAA (sf)	AA+ (sf)	AA- (sf)	BBB- (sf)	BB- (sf)	B- (sf)
25% increase	AAA (sf)	AAA (sf)	AA (sf)	A+ (sf)	BB+ (sf)	B+ (sf)	CCC (sf)
KLS Sensitivity	**Class A Loan Note**	**Class A**	**Class B**	**Class C**	**Class D**	**Class E**	**Class F**
15% increase	AAA (sf)	AAA (sf)	AA+ (sf)	AA- (sf)	BBB- (sf)	BB- (sf)	B- (sf)
25% increase	AAA (sf)	AAA (sf)	AA+ (sf)	A+ (sf)	BBB- (sf)	BB- (sf)	CCC (sf)
KPD and KLS Sensitivity	**Class A Loan Note**	**Class A**	**Class B**	**Class C**	**Class D**	**Class E**	**Class F**
15% increase to Both	AAA (sf)	AAA (sf)	AA (sf)	A+ (sf)	BB+ (sf)	B+ (sf)	CCC (sf)
25% increase to Both	AA+ (sf)	AA+ (sf)	AA- (sf)	A (sf)	BB (sf)	B (sf)	CC (sf)

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Related Publications

- Dilosk RMBS No.10 DAC 2025 Surveillance Report
- Dilosk RMBS No.10 DAC New Issue Report
- European RMBS Rating Methodology
- European RMBS Rating Methodology Country Addendum: Republic of Ireland
- Global Structured Finance Counterparty Methodology

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