

# RATING ACTION



## ARC RATINGS DOWNGRADES RÉSIDE ÉTUDES' RATING

Lisbon, 5 January 2024 - ARC Ratings, S.A. has downgraded the final long-term issuer public rating assigned to Réside Études Investissement S.A. to "D", from "C" with Negative Rating Watch.

ISSUER	RATING CLASS	RATING	OUTLOOK/WATCH	NEXT REVIEW DATE
Réside Études Investissement S.A.	Corporate Long-Term Issuer	D	-	14 October 2024

ARC has downgraded the rating to "D" because Réside Études Investissement S.A. confirmed that it has already defaulted on its financial debt, and will continue to do so while it is under the safeguard procedure.

## RELATED CRITERIA AND RESEARCH

ARC Ratings' Non-Financial Corporate Entities Rating Methodology

Réside Études Investissement S.A. previous Press Release.

The rating was assigned by ARC Ratings, S.A. and endorsed by ARC Ratings (UK) Limited in accordance with Statutory Instrument 2019 n° 266 - The Credit Rating Agencies (Amendment etc.) (EU Exit).

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ARC Ratings, S.A. is registered as a Credit Rating Agency with 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).

ARC Ratings (UK) Limited is registered as a Credit Rating Agency with the United Kingdom Financial Conduct Authority, within the scope of the Statutory Instrument N° 266/2019, of 13 February, and recognised as ECAI.

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

Credit Ratings assigned by ARC Ratings are independent and forward looking opinions of the relative credit risks of financial obligations issued by various entities. The credit risk is the risk that an entity may not meet its financial obligations as they come due i.e. the capacity and willingness of an entity/issuer to make all required interest and principal payments on a given obligation in a timely manner in accordance with its terms. Credit ratings express risk in relative rank order – they are an ordinal measure of credit risk whose probability of default or loss may vary through the credit cycle. They are issued using an established and defined ranking system of rating categories (rating scale). ARC's credit ratings are determined using ARC's published rating criteria.

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

ARC Ratings provides to the entity whose financial commitments are being rated the documents that substantiate the rating to be attributed. This entity is thus given the opportunity to clarify or correct factual details. ARC Ratings also grants the issuer the possibility of appealing a rating accorded by ARC as long as this appeal is supported on additional information that hasn't been taken into account in the original rating accordance.

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/. It should be highlighted that ARC Ratings' rating portfolio can be characterized as a "very low default portfolio" and therefore the agency's historical defaults are not statistically significant. Default is the 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 or offer or solicitation to buy or sell any investments that may be mentioned, and are only one of the factors that investors may wish to consider. The use of any rating is entirely at the user's own risk.

Throughout the entire period during which ratings are valid, ARC Ratings monitors the issuer's performance on a constant basis and may bring forward the date of the review or carry out an interim review as events warrant. Hence, prior to an investor using a rating, ARC Ratings recommends that the user consults the listing of public ratings available at the website [www.arcratings.com](http://www.arcratings.com).

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In the rating process, ARC Ratings adopts procedures and methodologies aimed at ensuring transparency, credibility and independence, and also that rating classifications are not influenced by conflicts of interest.

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