

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

Hudson Green Project Finance 2020-1 Trust Beneficial Interest and Trust ABL

<Affirmation>

Beneficial Interest: BBB
ABL: BBB

Rationale

This is a rating to the project finance for multiple solar power projects sponsored by Hudson Sustainable Investment Management, LLC. There are no particular concerns over the volume of power generated and cash flows. As for the revision to the business plan, the amount remains within the buffer for rising costs, which JCR assumes. The sponsor and asset manager are working on provision of appropriate repair and maintenance, and also upgrading of the facilities to maintain the long-term value of the power plant.

Kiichi Sugiura, Hiroki Ishizaki

Rating

<Affirmation>

Instrument Name: Beneficial Interest
Initial Issue/Execution Amount: JPY 6,300,000,000
Trust Termination Date: June 30, 2040
Coupon Type: Fixed
Rating: BBB

Instrument Name: Trust ABL
Initial Issue/Execution Amount: JPY 1,000,000,000
Trust Termination Date: June 30, 2040
Coupon Type: Fixed
Rating: BBB

<Information on Outline of Issue>

Trust Establishment Date: January 22, 2021
Beneficial Interest Assignment/
ABL Execution Date: January 22, 2021
Redemption/ Repayment Method: Scheduled redemption/ repayment
Credit Enhancement & Liquidity Facility: None
- Cash reserves and senior-subordinated structure as a credit enhancement and liquidity facility with respect to loan claims, which are the underlying assets

<Information on Structure and Stakeholders>

Entrustor: Nomura Securities Co., Ltd.
Trustee: Mitsubishi HC Capital Trust Corporation
Mega Solar Project Companies: Hudson Solar Japan 1 GK
Hudson Solar Japan 2 GK
Asset Manager: Vector Renewables Japan K.K.
Backup Asset Manager: Japan Investment Adviser Co., Ltd.
Arranger: Nomura Securities Co., Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets: Loan claims against the mega solar project companies



Rating Assignment Date: April 25, 2022

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 "Project Finance" (August 28, 2012) 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.

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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.)
