

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

Canadian Solar Dual Tenor Green Project Bond Trust (Ibaraki/Hiroshima) Beneficial Interest and Trust ABL

<Rating Change>

Beneficial Interest:	from BBB+ to A-
ABL:	from BBB+ to A-

Rationale

This is a rating on project finance for mega solar project operated by Canadian Solar Group in City of Kasama, Ibaraki Prefecture. Power output of the Kurusu site in Ibaraki Prefecture has been slightly exceeding the volume initial planned since commencement of commercial operation. Operating expenses are also within the range JCR expected. With regard to the power generation facilities, JCR found no events that require JCR to significantly revise the forecast of profit and loss, and assumption of stress scenarios. Measures toward stabilizing the ground of the site have yielded certain positive outcome. JCR ensured that risk associated with construction completion, which constrained the rating, was eliminated by and large.

Taking the above into consideration, JCR upgraded ratings on the beneficial interest and trust ABL by one notch to A-.

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Rating

<Rating Change>

Instrument Name	Initial Issue/ Execution Amount (mn)	Trust Termination Date	Coupon Type	Rating
Beneficial Interest	JPY 2,480	Mar. 14, 2041	Fixed	A-
Trust ABL	JPY 5,620	Mar. 14, 2041	Fixed	A-

<Information on Outline of Issue>

Trust Establishment Date:	March 24, 2021
Beneficial Interest Assignment/ ABL Execution Date:	March 24, 2021
Redemption/Repayment Method:	Scheduled Redemption/Repayment
Credit Enhancement & Liquidity Facility:	NA
Cash Reserve and Senior-subordinated Structure as Credit Enhancement & Liquidity Facility with respect to loan claims, which are the underlying assets	

<Information on Structure and Stakeholders>

Entrustor:	Goldman Sachs Japan Co., Ltd.
Trustee:	Mitsubishi HC Capital Trust Corporation
Mega Solar Project Companies:	CS Ibaraki Kurusu G.K., CLEAN ENERGIES MALLORCA G.K. (sold and paid off on September 28, 2022), and CS Hiroshima Suzuhari G.K. (sold and paid off on September 28, 2023)
Asset Manager:	Canadian Solar Projects K.K.
O&M:	Canadian Solar O&M Japan K.K.
Arranger:	Goldman Sachs Japan Co., Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets:	Loan claims against the mega solar project companies
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Rating Assignment Date: November 30, 2023

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.

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

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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.)
