

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

Canadian Solar Green Project Bond Trust (Yamaguchi) Beneficial Interest and Trust ABL

<Affirmation>

Beneficial Interest: A
ABL: A

Rationale

This is a rating on project finance by Canadian Solar Group for mega solar project that is operated in Yamaguchi City, Yamaguchi Prefecture.

Although affected by the output control order to adjust the supply-demand balance in the area operated by The Chugoku Electric Power Company, Incorporated effective from April 2022, the amount of electricity generated has been above the initially planned amount overall on the back of the good solar radiation quantity. The operating expenses have also been within the scope of JCR's assumptions. With regard to the power generation facilities, no addressed matters have been identified that will significantly change JCR's earnings projections and stress assumptions for the project.

Taking the above into consideration, JCR affirmed the A ratings on the beneficial interest and trust ABL.

Kiichi Sugiura, Tetsuya Nakagawa, Emi Koyama

Rating

<Affirmation>

Instrument Name	Initial Issue/Execution Amount (bn)	Trust Termination Date	Coupon Type	Rating
Beneficial Interest	JPY 4.6	May 16, 2036	Fixed	A
Trust ABL	JPY 4.1	May 16, 2036	Fixed	A

<Information on Outline of Issue>

Trust Establishment Date: July 14, 2017
Beneficial Interest Assignment/ABL Execution Date: July 14, 2017
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 Operator: Smart Solar Yamaguchi Aio G.K.
Asset Manager: Canadian Solar Asset Management K.K.
O&M Company: 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 company

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.)
