

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

Canadian Solar Dual Tenor Green Project Bond Trust (Gunma) Beneficial Interest and Trust ABL

<Rating Change>

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

Rationale

This is a rating on project finance by Canadian Solar Group for mega solar project that is operated in Minakami-machi, Gunma Prefecture.

The amount of electricity generated has been above the initially planned amount in general against the background of good solar radiation quantity, acceptable performance ratio as against JCR's assumptions, and other factors. Despite the damage by typhoons and torrential rains, repairs are now underway with a view to preventing the recurrences. The operating expenses have been within the scope of JCR's assumptions. As a result of the current review of the various contracts, future DSCR is expected to be above the JCR's initial assumptions.

Taking the above into consideration, JCR upgraded the ratings on the beneficial interest and trust ABL by 1 notch to A+.

Kiichi Sugiura, Tomohiko Iwasaki

Rating

<Rating Change>

Instrument Name	Initial Issue/Execution Amount (bn)	Trust Termination Date	Coupon Type	Rating
Beneficial Interest	JPY 0.5	June 22, 2037	Fixed	A+
Trust ABL	JPY 4.9	June 22, 2037	Fixed	A+

<Information on Outline of Issue>

Trust Establishment Date: March 31, 2017
Beneficial Interest Delivery/ABL Execution Date: March 31, 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: Hitachi Capital Trust Corporation
Mega Solar Project Company: Tida Power 83 G.K.
Asset Manager: Canadian Solar Projects K.K.
O&M: Canadian Solar O&M Japan K.K.,
Canadian Solar Projects 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: December 8, 2020

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.

Japan Credit Rating Agency, Ltd.

Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

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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.)

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