

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

BRS Mega Solar Project Bond Trust 1 Beneficial Interest and Trust ABL

< Credit Monitor Continuation ><Rating Change>

Beneficial Interest: from #BBB-/Negative to #BB+/Negative
ABL: from #BBB-/Negative to #BB+/Negative

Rationale

This is a rating for project finance for a solar power generation project in Nihonmatsu-shi, Fukushima Prefecture, sponsored by Nihonmatsu Taiyoko Hatsuden G.K. After placing this rating under Credit Monitor, JCR has been closely watching whether corrective construction work to address the landslide risk would be carried out promptly. As a result, while further assessment of the situation became necessary, a concrete plan for the corrective construction work still had not been finalized, leading JCR to conclude that it would likely take time to commence such work. Until the corrective construction work is completed, this project will be uninsured against landslide risk. Considering the project's recent electricity sales performance and cash reserves, JCR sees no immediate concern regarding its ability to meet its debt obligations. However, if the landslide risk materialize, JCR believes it cannot be said with certainty that the project would continue to meet its debt obligations over the longer term. Accordingly, JCR downgraded the rating by one notch. JCR believes there remains a possibility that further revisions to the assessment may become necessary in the future, depending on the results of the additional exploratory investigations currently being carried out and the discussions toward implementing corrective construction work in response to those results. Considering the above, JCR will continue to place the rating under Credit Monitor.

Daisuke Sugo, Tatsuya Shimizu

Rating

<Credit Monitor Continuation><Rating Change>

Instrument Name	Execution Amount	Trust Termination Date	Coupon Type	Rating
Beneficial Interest	JPY 1,400,000,000	Nov. 30, 2040	Fixed	#BB+/Negative
Trust ABL	JPY 3,300,000,000	Nov. 30, 2040	Fixed	#BB+/Negative

<Information on Outline of Issue>

Trust Establishment Date: March 29, 2022
Beneficial Interest Assignment/
ABL Execution Date: March 29, 2022
Redemption/Repayment Method: Scheduled Redemption/Repayment
Credit Enhancement & Liquidity Facility: NA
Cash Reserves 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: SMBC Nikko Securities Inc.
Trustee: Mitsubishi HC Capital Trust Corporation
Mega Solar Project Company: Nihonmatsu Taiyoko Hatsuden G.K.
Asset Manager: Amp Co., Ltd.
Arranger: SMBC Nikko Securities Inc.

<Information on Underlying Assets>

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



Rating Assignment Date: July 7, 2026

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" (April 1, 2026) 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.)
