

Rating Object:

Bearer notes under German law with the ISIN: XS2092628275 issued by Institutional Infrastructure Holdings S.A., Compartment 30

Rating:

BBB-

Rating Outlook / Addition:

Outlook stable

Rating Information:

Initial Issue Date	16/03/2020
Jurisdiction Rating Object	German law
Exchange	---
Legal Form	Luxembourg securitization company in the form of a Société anonyme (SA)
Issue Volumen	Up to EUR 100,000,000.00
Seniority	Non-subordinated
Collateralisation	Secured
Credit Enhancement	Intended
Legal Maturity	28/01/2046
Coupon	3.5% p.a.
Coupon Period	Semi-annually
Coupon Type	Conditional
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Rating Rationale:

CRA confirms the rating of BBB- and the stable outlook. Compared to the previous rating action the composition of the portfolio has not changed but there was progress on implementing the assets acquired in 2022. A second distribution of the investment vehicle has also taken place. Nevertheless, blind pool, development and construction risks remain. Additionally CRA expects a further build-up of the portfolio to sustainably support the current rating. The assessment of structural, operational and portfolio and credit risks has not changed. The updated quantitative analysis, which now takes into account all actual investments, shows stable results and continues to support the existing rating. Under consideration of qualitative factors, CRA furthermore derives a rating of BBB-.

Primary Key Rating Factors:

- (+) Track record of the asset manager
- (+) Conditionality of coupon payments
- (+) Relatively good predictability of wind and solar farm yields from the time the operating phase is reached / Partial market and electricity price security through design of subsidy regimes or power purchase agreements
- (+) Geographical diversification of the assets planned / Financial basis established due to Financial Close above target
- (-) Subordinated use of issue proceeds within the whole transaction structure
- (-) Blind pool investment share of the Fund
- (-) Part of the portfolio comprises construction risks and FX risks
- (-) Offshore wind parks are exposed to a higher risk profile compared to onshore wind and solar farms / No reliable empirical experience on the long-term operation of offshore wind energy plants
- (-) Economic risks from geopolitical conflicts (war in Ukraine) and the risks of rising inflation and rising interest rates

Ratings Sensitivities:

Best-case scenario: In this scenario, we increased the returns of the portfolio assets by an amount of 10% respectively, resulting in a rating of BBB.

Worst-case scenario: In this scenario, we stressed the returns of the portfolio assets by an amount of 20% respectively, resulting in a rating of BB-.

ESG-Criteria:

CRA generally considers ESG factors (environment, social and governance) within its rating decisions. In the present case, ESG criteria had a low comprehensive impact to the rating.

The subsequent ESG factors had had been considered:

- Impact on environmental quality through CO2 savings

Latest Rating Date / Disclosure to Rated Entity / Maximum Validity:

31/05/2023 / 31/05/2023 / 25/01/2046

Between the disclosure of the credit rating to the rated entity and the public disclosure, no amendments were made to the credit rating.

Initial Rating Date:

13/02/2020 / BBB- / Outlook stable

Status of Solicitation:

The rating is a solicited rating. The degree of participation was as follows:

With Rated Entity or Related Third Party Participation: Yes

With Access to Internal Documents: Yes

With Access to Management: Yes

Notes:

This document is a CRA Press Release. The CRA Press Release outlines significant rating-relevant changes compared to CRA's most recent rating action. It immediately follows that the assigned rating must not be limited to the motivators mentioned in the CRA Press Release. Instead, a comprehensive acknowledgement of all explanations provided in previous reports, other forms of documentation, rating updates and, in particular, the CRA initial rating report is indispensable. At this point, CRA refers the reader to these forms of documentation, rating updates and reports.

Regulatory Requirements and Legal Disclosures :

Creditreform Rating AG was mandated on 01/07/2020 by Institutional Infrastructure Holdings S.A., Compartment 30 to conduct a rating for the bearer notes under German law, issued by Institutional Infrastructure Holdings S.A., Compartment 30. This is a public rating which is regulatory applicable according to EU Regulation 1060/2009 (CRA-Regulation).

The rating was conducted on the basis of Creditreform Rating's "Issue Ratings" and "Technical Documentation - Portfolio Loss Distribution" in conjunction with Creditreform's basic document "Rating Criteria and Definitions".

Important sources of information in the context of the rating were, in addition to the submitted documents, a management call on 3/3/2022. The submitted documents and information provided by Macquarie or rather the Issuer were sufficient to meet the requirements of Creditreform Rating AG's rating methodology.

A complete description of Creditreform Rating's rating methodologies and Creditreform's basic document "Rating Criteria and Definitions" is published on the following internet page:

<https://creditreform-rating.de/en/about-us/regulatory-requirements.html>

On the subject of ESG (environment, social and governance), Creditreform Rating AG has published the basic document "The Impact of ESG Factors on Credit Ratings", which is available on the homepage under the following link:

<https://creditreform-rating.de/en/about-us/regulatory-requirements.html>

This rating was carried out by analysts Simon Cordes (Lead), Agne Bacionyte and Moritz Remmert, all located in Neuss/Germany. The function of Person Approving Credit Ratings (PAC) was performed by Sascha Pomorin.

Closing of the transaction occurred on 16/03/2020. The rating is based on the portfolio information and transaction documentation as of 15/05/2023, as provided by the Asset Manager or the Issuer.

The issuer or all relevant parties have examined the rating report prior to publication and were provided with at least one full working day to appeal the rating committee decision and provide additional information. The rating decision was not amended following this examination.

Ancillary services were provided. Pre-ratings were conducted.

In 2011 Creditreform Rating AG was registered within the European Union according to EU Regulation 1060/2009 (CRA-Regulation). Based on the registration Creditreform Rating AG (CRA) is allowed to issue credit ratings within the EU and is bound to comply with the provisions of the CRA-Regulation.

Conflicts of Interest

No conflicts of interest were identified during the rating process that might influence the analyses and judgements of the rating analysts involved or any other natural person whose services are placed at the disposal or under the control of Creditreform Rating AG and who are directly involved in credit rating activities or approving credit ratings and rating outlooks.

In case of providing ancillary services to the rated entity, CRA will disclose all ancillary services in the credit rating report.

Rules on the Presentation of Credit Ratings and Rating Outlooks

The approval of credit ratings and rating outlooks follows our internal policies and procedures. In line with our "Rating Committee" policy, all credit ratings and rating outlooks are approved by a rating committee based on the principle of unanimity.

To prepare this credit rating, CRA has used following substantially material sources:

1. Transaction structure and participants
2. Transaction documents
3. Issuance documents

There are no other attributes and limitations of the credit rating or rating outlook other than those displayed on the CRA website. Furthermore CRA considers satisfactory the quality and extent of information available on the rated entity. In regard to the rated entity Creditreform Rating AG regarded available historical data as sufficient.

Between the time of disclosure of the credit rating to the rated entity and the public disclosure, no amendments were made to the credit rating.

This rating was not endorsed by Creditreform Rating AG from a third country as defined in Article 4 (3) of the CRA-Regulation.

The "Basic Data" information card or the press release published on Creditreform Rating's website indicates the principal methodology or version of methodology that was used in determining the rating, with a reference to its comprehensive description.

In cases where the credit rating is based on more than one methodology or where reference only to the principal methodology might cause investors to overlook other important aspects of the credit rating, including any significant adjustments and deviations, Creditreform Rating AG explains this fact in the credit rating report and indicates how the different methodologies or other aspects are taken into account in the credit rating. This information is integrated in the credit rating report.

The meaning of each rating category, the definition of default or recovery and any appropriate risk warning, including a sensitivity analysis of the relevant key rating assumptions, such as mathematical or correlation assumptions, accompanied by worst-case scenario credit ratings and best-case scenario credit ratings are explained.

The date at which the credit rating was initially released for distribution and the date when it was last updated including any rating outlooks is indicated clearly and prominently in the "Basic Data" card or in the press release published on Creditreform Rating's website as a "rating action"; first release is indicated as "initial rating", other updates are indicated as an "update", "upgrade or downgrade", "not rated", "confirmed", "selective default" or "default".

In the case of a rating outlook, the time horizon is provided during which a change in the credit rating is expected. This information is available within „Basic data“ information card in Creditreform's basic document "Rating Criteria and Definitions".

In accordance to Article 11 (2) EU-Regulation (EC) No 1060/2009 registered or certified credit rating agency shall make available in a central repository established by ESMA information on its historical performance data, including the ratings transition frequency, and information about credit ratings issued in the past and on their changes. Requested data are available at the ESMA website:

<https://cerep.esma.europa.eu/cerep-web/statistics/defaults.xhtml>.

An explanatory statement of the meaning of Creditreform's default rates are available in the credit rating methodologies disclosed on the website. Further information can also be found on the CRA website in the document "Rating Criteria and Definitions".

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