RATING REPORT

International Packaging Films Limited

REPORT DATE:
July 05, 2022

RATING ANALYSTS:
Maham Qasim

RATING DETAILS

Rating Category	Latest Rating		Previous Rating	
	Long-term	Short-term	Long-term	Short-term
Entity	A	A-1	A-	A-2
Rating Outlook	*Stable*		*Positive*	
Rating Date	*30th June'22*		*26th Feb'21*	
Rating Action	*Upgrade*		*Initial*	

COMPANY INFORMATION

Incorporated in 2015	**External auditors:** EY Ford Rhodes- Chartered Accountants
Private Limited Company	**Chief Executive Officer:** Mr. Naveed Godil
Key Shareholders (with stake 10% or more):	
Mr. Naveed Godil – 15.03%	
Mr. Ameer Ali – 11.95%	
Mr. Mushtaq Ali Tejani- 10.68%	

APPLICABLE METHODOLOGY(IES)

VIS Entity Rating Criteria: Corporates (August 2021)
https://docs.vis.com.pk/docs/CorporateMethodology202108.pdf

International Packaging Films (Private) Limited

OVERVIEW OF THE INSTITUTION

Incorporated in 2015, International Packaging Films Limited (IPAK) is engaged in the manufacturing and sale of flexible packaging materials comprising Biaxially Oriented Polypropylene (BOPP) films. Financial Statements of the company for FY21 were audited by EY Ford Rhodes Chartered Accountants

Profile of CEO

Management team at IPAK is spearheaded by Mr. Naveed Godil who is a successful Pakistani business *magnate, investor and founder of various Industries. He graduated from University of Karachi and later completed his professional education from Preston University. Currently, he also serves as CEO of Universal Packaging Company (Pvt) Ltd. Cast Packaging Films (Pvt) Ltd, Petpak Films (Pvt) Ltd, Global Packaging Films (Pvt) Ltd, Universal Coating Films (Pvt) Ltd and Universal Films (Pvt) Ltd*

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RATING RATIONALE

The ratings assigned to International Packaging Films Limited (IPAK) take into account its moderate business risk profile underpinned by stable and growing demand supported by end consumers belonging to the FMCG, cosmetic and pharmaceutical sectors, ability to efficiently pass raw material price increase to customers coupled with evolving consumer behavior patterns with increased inclination towards hygienic products post pandemic onslaught. Business risk profile is also supported by sizeable market share held by the company in BOPP films given oligopolistic nature of the industry with limited imports. On the flip side, ratings take note of heightened competition in view of new market entrants along with ongoing capacity expansion initiatives of the existing players. Moreover, the risk profile was elevated on the regulatory front in line with abolishment of anti-dumping duty on the sector and reduction in custom duty on import of final product making imports price competitive to indigenous production. The ratings also factor in sizable capital commitments that need to be met from internal revenue generation for set up of associate companies in the medium to long-term.

Assessment of financial risk profile incorporates the company's conservative financial policy as reflected in low leveraged capital structure, healthy profitability indicators and strong liquidity profile. Revenue growth and improving gross margins on a timeline basis have been a function of increased aggregate demand and higher average selling prices along with inventory gains. Liquidity profile of the company is considered strong as evident from sound cash flow coverages in relation to outstanding obligations. Going forward, strong liquidity profile is likely to sustain given decent revenue uptick coupled with no draw down of financing projected. Equity base has augmented during the review period in line with issuance of shares along with healthy internal capital generation. Given no new procurement of long-term debt is expected, the leverage indicators are projected to improve during the rating horizon. However, the ratings remain sensitive to downturn in country's macroeconomic indicators involving policy rate increase, commodity super-cycle leading to hike in fuel & energy costs resulting in heightened general inflation, materialization of company's projections and successful implementation of associate companies' projects.

Corporate Profile: Incorporated in 2015, International Packaging Films Limited (IPAK) is principally engaged in the manufacturing and sale of flexible packaging materials comprising Bi-axially Oriented Polypropylene (BOPP) films. The company commenced operations in 2017. Competitive advantage stems from the five-layered plant situated in Lahore, Pakistan vis-à-vis three-layered plants of other BOPP manufacturers in the market. Shareholding pattern of the company is vested with individual investors. Associate group companies with reference to common shareholders include Universal Packaging (Pvt) Limited, Universal Carton Industries LLC, 14th Street Pizza, Universal Films (Pvt.) Limited, universal Coating Films (Pvt.) Limited, Adpak (Pvt.) Limited, R.S. Corporation (Pvt) Limited.

On 11th June, the company converted its status as a private company to public (unquoted) limited company. IPAK intended to issue 63.5m ordinary shares at a floor price of Rs. 34/ share to raise Rs. 2.2b through the initial public offering. The purpose of new issuance was to partially fund the Company's expansion project with set up of Biaxially-Oriented Polyethylene Terephthalate (BOPET) plant in Petpak Films (Pvt.) Limited (PETPAK) and BOPP line in Global Packaging Films (Pvt) Limited (GPAK). However, the plan has currently been shelved due to political and market instability. Therefore, the shareholding pattern remained unchanged during the rating review period. Following is the pattern of shareholding of IPAK at end-June'21:

Shareholder	% Share held
Naveed Godil	15.03%
Ameer Ali	11.95%
Taimoor Iqbal	9.39%
Mushtaq Ali Tejani	10.68%
Muhammad Usman Pirani	7.28%
Arsalan Pirani	6.21%
Muhammad Ashraf	5.56%
Haji Hanif Ahmed	5.00%
Muhammad Ishrat	3.86%
Others	25.04%

IPAK has an installed capacity of 40,000 MT of BOPP films of various grades and thickness ranging from 10 to 60 microns. Total power requirement of the company (5.2MW) is met through in-house electricity generation through gas based generators with gas being supplied by SNGPL. The NGR Recycling Machine (0.5MW) is powered by WAPDA. For back-up purposes, the company also possesses Diesel based generator (2MW) and a backup line from LESCO.

The company has also obtained the following ISO certifications:

- Quality Management System ISO 9001:2015
- Occupational Health & Safety Management System OHSAS 18001:2007
- Environmental Management System ISO 14001:2015
- Food Safety Management System ISO 22000:2005
- Pepsi Co Approved Packaging Supplier
- British American Tobacco Supplier Qualification Program

Capacity Utilization

Year	Total Capacity In MT	Production during the period In MT	Capacity utilization In %
FY19	40,000	21,924	54.81%
FY20	40,000	24,178	60.45%
FY21	40,000	28,740	71.85%
9MFY22	30,000	20,954	69.84%

IPAK's capacity utilization has been increasing on a timeline basis in line on account of improving demand dynamics and shift in consumers' attitude towards packed commodities, especially in the aftermath of the Coronavirus, where people have become more concerned about hygienic packaging. However, utilization seems to have slowed around 70% in line highly competitive market dynamics. Going forward, management projects to meet the sale target of 30,000MT films during FY22.

Investment in Subsidiaries: Given management's focus towards value addition, IPAK has expanded into the manufacturing of CPP Films segment through a wholly owned subsidiary by the name of Cast Packaging Films (Pvt) Limited (CPFPL). CPFPL's principal business is to carry out the business of manufacturing, selling, marketing, exporting and dealing in all kinds and classes of flexible packing material mainly comprising of CPP (Cast Oriented Polypropylene) Film and allied products of cast packaging. The name plate capacity of the CPP plant is 7,200 MT per annum, the total cost of the project was estimated at Rs. 1.4b which will be entirely financed through IPAK's retained earnings. The subsidiary became operational in April'21. IPAK has contributed Rs. 1.5b to CPFPL, Rs. 500m in the form of equity stake and Rs. 1.0b extended as advance for future issuance of shares.

IPAK has formed another wholly owned subsidy, Global Packaging (Pvt) Limited (GPAK), to further enhance group's capacity of producing BOPP films & allied products. IPAK has total investment of Rs. 1.1b in GPAK emanating from equity shareholding amounting to Rs. 500m coupled with extension of loan of Rs. 600m by end-9MFY22; the newly formed company under 126E Clause of 2nd Schedule and operating in SEZ (Special economic zone) is exempt from taxation for the initial 5 years. The total cost of funding projected for BOPP and CPP manufacturing units, CPFPL and GPAK, is recorded at around Rs. 13.0b out of which Rs. 2.6b has been contributed; however, sizable capital commitments still remain to be met. In addition, IPAK also holds 52% equity shareholding in PETPAK Films (Pvt.) Limited (PFPL) involved in manufacturing of BOPET films & allied products. IPAK has contributed Rs. 270.8m in equity and a further Rs. 140.0m for issuance of shares during the rating review period. The newly acquired land in Quaid-e-Azam industrial estate will be used to develop premises for GPAK and PFPL.

Key Rating Divers:

Business risk profile is considered moderate due to inelastic demand base from FMCG, pharmaceuticals and cosmetic sector allowing for raw material prices to be passed on. Change in consumer buying behavior in response to Coronavirus increased demand for packaging products. Additionally, the oligopolistic nature of BOPP industry in Pakistan is another competitive edge. However, the favorable position is slightly offset by rising exchange rates, increased duty structure on imports and competition from commercial importers on account of elimination of anti-dumping duty.

The end consumers primarily pertain to FMCG, pharmaceuticals and cosmetic sectors providing a stable and inelastic demand base for IPAK's products; therefore, the demand driven price risk is largely mitigated. Moreover, the inelastic nature of products allows for efficient transfer of raw material price increase to customers; the same is evidenced from timeline increase in margins. Furthermore, the pandemic caused a paradigm shift in consumer behavior, increasing the demand for hygienic packaging which provides an even stronger demand base to IPAK's products. Moreover, with sustainability and recyclability being the core focus in packaging industry, the use of mono material may likely have a positive impact on the overall demand in this industry.

However, the sector/company faces a challenge in view of increasing exchange rates since around 95% of raw material is imported leading to exchange losses; hence in turn impacting profitability indicators. Previously, an anti-dumping duty in the range of 23-57% was applicable on BOPP films imports from China and Middle East, however, the same was abolished during the period under review. Further, under the latest budget announced, the duty on import of final product, BOPP films has been reduced therefore making imports more competitive in terms of to indigenous production.

Oligopolistic sector dynamics: Main manufacturers of BOPP films include Tri-pack, Macpac, Astro Films and IPAK with the major market share held by Tri-pack. Domestic BOPP market capacity is largely to remain at current levels FY25 where major additions are expected to be made. Currently, the annual demand of BOPP films is around 134,800 MT which is almost equivalent to the total installed capacity; the demand is expected to grow by 7% per annum till FY25. Astrofilms, an associate company of Ismail Industries would double their capacity to 15,000 MT by end-FY24. Moreover, Tri-pack, the industry leader, plans to increase BOPP production by 40,000MT while a new entrant, Lahore Polypropylene is expected to enter the market with a capacity of 30,000MT by end-FY25. To mitigate the risk of market share loss, IPAK associates GPAK and PFPL with planned installed capacities of 59,480 MT/annum and 40,980 MT/annum respectively are expected to come online in FY25; the machinery import for both is likely to be finalized by Nov'23. The snapshot of installed capacities of different market players are presented below:

Major BOPP Manufacturers	Installed Capacity (MT)	Market share
Tri-pack Films	66,800	49%
Macpac Films	14,000	10%
IPAK	40,000	30%
CPFPL	7,200	5%
Astrofilms	7,500	6%
Installed Capacity	**135,500**	

Revenue of IPAK has depicted healthy year on year growth during the last four years being a function of increased aggregate demand and higher average selling prices. Gross Margins have also increased on a timeline; the same are expected to be maintained at around current levels for the foreseeable future. Net profitability will suffer in the short run, but likely pick up pace going forward.

Net sales of the company registered a year-on-year (YoY) growth rate of around 33% during FY21 on account of a combined impact of increased aggregate demand and higher average selling prices. This increase is also driven by change in consumer behavior towards more hygienic packaging along with management's aggressive focus on value added products. Product mix of the company depicts that around 80% of the sales revenue is generated by transparent and metallized films; however, timeline increase has been witnessed in contribution of metallized films. Going forward, given management's focus is more inclined towards value-added products, composition of metallized films is projected to gradually increase in the medium-term. Further, future growth is imperative to be driven by value added products given overall demand of transparent films has largely been absorbed in the market. The product mix breakdown is presented in the table below:

Product Mix	FY19	FY20	FY21	9MFY22
Transparent Films	54.6%	55.9%	59.2%	50.2%
Metallized Films	26.4%	25.4%	23.3%	31.1%
Matt Films	1.9%	2.8%	1.9%	2.7%
Pearlize Films	8.1%	4.5%	4.2%	4.6%
White Films	5.9%	8.2%	8.5%	6.5%
Recycled Granuels and Other Waste	2.5%	0.6%	1.2%	2.4%
Export Films	0.6%	2.6%	1.6%	2.6%

As per management, the packaging industry falls in the supply chain of various non-cyclical industries including FMCGs and pharmaceuticals that witnessed an increased demand as a result of COVID-19. Top 10 client concentration in sales revenue was reported at around 44% during FY21 with a mix of contractual and non-contractual customers. In line with increasing demand, higher average selling price and inventory gains, gross margins of the company have been improving on a timeline basis and were reported higher at 21.13% (FY21: 22.67%; FY20: 17.03%) at end-9MFY22. Management believes that margins are likely to stagnate at this point as demand seems to have stabilized while commodity prices increase rapidly. Net profit follows a similar trend closing at Rs. 1.6b (FY20: Rs. 606.7m) at end-FY21. Going forward, slight pressure is expected to be exerted on margins in lieu of high interest cost and adverse forex movements. The management projects to close FY23 with a topline of Rs. 13.4b and after tax profit of Rs. 1.4b.

Liquidity profile of the company is considered strong as evident from healthy cash flow coverages in relation to outstanding obligations. Going forward, with limited reliance on borrowings, liquidity ratios are expected to further strengthen going forward amid strong profitability indicators

Liquidity profile of the company has exhibited positive trajectory in line with improving profitability metrics, sound coverage of cash flows in relation to outstanding obligations, and manageable ageing of trade debts. Moreover, the debt service coverage ratio also has depicted upward trajectory and was recorded considerably high at 22.0x (FY21: 20.7x; FY20: 5.2x) at end-9MFY22. In absolute terms, Funds from Operations (FFO) amounted to Rs. 1.5b (FY21: Rs.2.0b; FY20: 893.6m) during 9MFY22 translating into improved liquidity indicators with Debt Service Coverage Ratio (DSCR) being reported high at 22.0x (FY21: 20.7x; FY20: 5.2x) at end-9MFY22. On the other hand, cash conversion cycle of IPAK increased slightly to 64 days (FY21: 58 days, FY20: 55 days) by end-9MFY22 given increase in payable days was offset by days receivable and days in inventory increase. Although, the transactions with associates are carried out on an arm's length basis, timely recovery of dues from associated companies is considered crucial for the assigned rating. Coverage of short-term borrowings by stock in trade and trade debts is significant; the same represented an improved position on a timeline to 6.1x (FY21: 3.29x; FY20: 1.92x) at end-9MFY22. The current ratio was also reported comfortable at 2.2x (FY21: 1.9x; FY20: 1.6x) at end-9MFY22. Going forward, strong liquidity profile is likely to sustain given decent revenue uptick coupled with no draw down of financing projected.

Largely conservative capital structure. Equity base of the company has grown at a two-year CAGR of 33% (FY19-FY21) owing to profit retention and issuance of new shares. Leverage indicators are considered sound with the same improving on a timeline basis owing to augmentation of equity base. Given the management does not plan on procuring any incremental debt; capitalization indicators are expected to further improve going forward.

The Tier-I equity of IPAK augmented considerably to Rs. 6.6b (FY21: Rs. 5.2m; FY20: Rs. 3.2b) by end-9MFY22 as a combined impact of internal capital generation issuance of right and bonus shares amounting to 457.4m and Rs. 400.0m respectively during the rating review period. As a part of management's deliberate strategy, any future expansion will be financed with either internal capital generation or equity injection. Debt matrix of the company mainly comprises short-term borrowings which also showcased a decreasing trend closing at Rs. 551.5m (FY21: Rs. 789.4m, FY20: 1,088.9m) at end-9MFY22. The only long-term borrowing carried on the books pertains to salary refinance scheme introduced by SBP to provide relief to businesses amid economic slowdown in covid. Going forward, the company has no plans to obtain any new long-term funding as any capital requirement will be fulfilled by equity injection or from internal capital generation. The company has a conservative capital structure with almost no reliance on long-term debt while the dependence on short-term credit for working capital was also tapered off during the period under review. Subsequently, gearing and leverage indicators improved and trended further downwards to 0.09x (FY21: 0.15x; FY20: 0.25x) and 0.53x (FY21: 0.54x; FY20: 0.77x), respectively at end-9MFY22. Given there are no expansion plans in perspective with only normal BMR to be carried out and the same to be funded by retained earnings, the leverage indicators are projected to improve during the rating horizon.

Corporate governance framework is adequate:
Board of Directors consists of nine members including the CEO. The BoD convenes quarterly meetings to discuss financial and operational progress of the company. The company formed three new board committees namely Internal Audit, Human Resources and ERP Steering. Information. Technology Department of the company is divided in the Information Systems (IS) team and Hardware & Infrastructure team during the outgoing year. Under the IS team, they currently have a Tier 1 ERP called The Microsoft Dynamics AX. The team is aligned to provide the following core services in relation to the installed ERP system:

- Functional and technical requirements gathering and documentation.
- Customizing Microsoft Dynamics AX based on user requirements scoped.
- Integrating Microsoft Dynamics AX with third party products through their respective interfaces

- Working on full life cycle implementation Power B.I. based on the management's reporting need entity-wide.

Currently the company is implementing top-tier ERP, SAP S/4 HANA 2021, that is the latest version of SAP and is the most credible ERP used by the companies worldwide

BALANCE SHEET	30-Jun-19	30-Jun-20	30-Jun-21	30-Mar-22
Property and Equipment	4,408	4,313	4,253	4,126
Intangibles	12.2	12.5	11.3	10.4
Stores and consumables	78.0	87.6	97.1	169.6
Stock in trade	747	974	1,433	1,667
Trade debts	1,128	1,112	1,162	1,697
Loans, advances and other receivables	473	513	555	1,756
Taxes recoverable	181	283	349	435
Total Assets	**7,063**	**7,362**	**9,257**	**11,279**
Deferred tax liability	405	549	768	751
Trade and other payables	1,014	794	1,058	1,908
Short term borrowings	1,353	1,089	789	551
Total borrowings	**1,353**	**1,089**	**896**	**611**
Total liabilities	**2,824**	**2,462**	**2,820**	**3,499**
Tier-1 equity	2,304	3,187	5,235	6,623
Total equity	**3,644**	**4,466**	**6,437**	**7,780**
Paid up capital	2,497	2,743	3,600	3,600
INCOME STATEMENT	30-Jun-19	30-Jun-20	30-Jun-21	30-Mar-22
Net Sales	5,813	7,044	9,401	8,698
Gross profit	417	1,200	2,132	1,838
Operating Profit	315	1,031	1,899	1,622
Finance Cost	106.5	187.6	77.0	74.7
Profit Before Tax	-4	752	1,792	1,326
Profit After Tax	10	607	1,574	1,343
RATIO ANALYSIS	30-Jun-19	30-Jun-20	30-Jun-21	30-Mar-22
Gross margins	7.2%	17.0%	22.7%	21.1%
Net Margins	0.2%	8.6%	16.7%	15.4%
Current Ratio	1.1	1.6	1.9	2.2
Net Working Capital	223.5	1,122.7	1,713.6	3,161.5
Funds from Operations (FFO)	234.3	893.6	2,042.8	1,499.2
FFO to Total Debt (x)	0.2	0.8	2.3	3.3
FFO to Long Term Debt (x)	-	-	19.1	33.4
Debt Leverage	1.2	0.8	0.5	0.5
Gearing	0.4	0.2	0.1	0.1
Debt Servicing Coverage Ratio (x)	4.0	5.2	20.7	22.0
Cash Conversion Cycle (days)	52.8	55.4	58.1	63.6
Inventory+ Receivables to Short-term Borrowings (x)	1.4	1.9	3.3	6.1
ROAA (%)	0.1%	8.4%	18.9%	15.9%
ROAE (%)	0.3%	15.0%	28.9%	23.0%

ISSUE/ISSUER RATING SCALE & DEFINITION Appendix I

VIS Credit Rating Company Limited

RATING SCALE & DEFINITIONS: ISSUES / ISSUERS

Medium to Long-Term

AAA
Highest credit quality; the risk factors are negligible, being only slightly more than for risk-free Government of Pakistan's debt.

AA+, AA, AA-
High credit quality; Protection factors are strong. Risk is modest but may vary slightly from time to time because of economic conditions.

A+, A, A-
Good credit quality; Protection factors are adequate. Risk factors may vary with possible changes in the economy.

BBB+, BBB, BBB-
Adequate credit quality; Protection factors are reasonable and sufficient. Risk factors are considered variable if changes occur in the economy.

BB+, BB, BB-
Obligations deemed likely to be met. Protection factors are capable of weakening if changes occur in the economy. Overall quality may move up or down frequently within this category.

B+, B, B-
Obligations deemed less likely to be met. Protection factors are capable of fluctuating widely if changes occur in the economy. Overall quality may move up or down frequently within this category or into higher or lower rating grade.

CCC
Considerable uncertainty exists towards meeting the obligations. Protection factors are scarce and risk may be substantial.

CC
A high default risk

C
A very high default risk

D
Defaulted obligations

Short-Term

A-1+
Highest certainty of timely payment; Short-term liquidity, including internal operating factors and /or access to alternative sources of funds, is outstanding and safety is just below risk free Government of Pakistan's short-term obligations.

A-1
High certainty of timely payment; Liquidity factors are excellent and supported by good fundamental protection factors. Risk factors are minor.

A-2
Good certainty of timely payment. Liquidity factors and company fundamentals are sound. Access to capital markets is good. Risk factors are small.

A-3
Satisfactory liquidity and other protection factors qualify entities / issues as to investment grade. Risk factors are larger and subject to more variation. Nevertheless, timely payment is expected.

B
Speculative investment characteristics; Liquidity may not be sufficient to ensure timely payment of obligations.

C
Capacity for timely payment of obligations is doubtful.

Rating Watch: VIS places entities and issues on 'Rating Watch' when it deems that there are conditions present that necessitate re-evaluation of the assigned rating(s). Refer to our 'Criteria for Rating Watch' for details. www.vis.com.pk/images/criteria_watch.pdf

Rating Outlooks: The three outlooks 'Positive', 'Stable' and 'Negative' qualify the potential direction of the assigned rating(s). An outlook is not necessarily a precursor of a rating change. Refer to our 'Criteria for Rating Outlook' for details.www.vis.com.pk/images/criteria_outlook.pdf

(SO) Rating: A suffix (SO) is added to the ratings of 'structured' securities where the servicing of debt and related obligations is backed by some sort of financial assets and/or credit support from a third party to the transaction. The suffix (SO), abbreviated for 'structured obligation', denotes that the rating has been achieved on grounds of the structure backing the transaction that enhanced the credit quality of the securities and not on the basis of the credit quality of the issuing entity alone.

(blr) Rating: A suffix (blr) is added to the ratings of a particular banking facility obtained by the borrower from a financial institution. The suffix (blr), abbreviated for 'bank loan rating' denotes that the rating is based on the credit quality of the entity and security structure of the facility.

'p' Rating: A 'p' rating is assigned to entities, where the management has not requested a rating, however, agrees to provide informational support. A 'p' rating is shown with a 'p' subscript and is publicly disclosed. It is not modified by a plus (+) or a minus (-) sign which indicates relative standing within a rating category. Outlook is not assigned to these ratings. Refer to our 'Policy for Private Ratings' for details. www.vis.com.pk/images/policy_ratings.pdf

'SD' Rating: An 'SD' rating is assigned when VIS believes that the ratee has selectively defaulted on a specific issue or obligation but it will continue to meet its payment obligations on other issues or obligations in a timely manner.

REGULATORY DISCLOSURES	**Appendix II**
Name of Rated Entity	International Packaging Films (Private) Limited
Sector	Packaging
Type of Relationship	Solicited
Purpose of Rating	Entity Rating

Rating History

Rating Date	Medium to Long Term	Short Term	Rating Outlook	Rating Action
RATING TYPE: ENTITY				
Jun-30-2022	A	A-1	Stable	Upgrade
Feb-26-2021	A-	A-2	Positive	Initial

Instrument Structure	N/A
Statement by the Rating Team	VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities.
Probability of Default	VIS' ratings opinions express ordinal ranking of risk, from strongest to weakest, within a universe of credit risk. Ratings are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular debt issue will default.
Disclaimer	Information herein was obtained from sources believed to be accurate and reliable; however, VIS does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. For conducting this assignment, analyst did not deem necessary to contact external auditors or creditors given the unqualified nature of audited accounts and diversified creditor profile. Copyright 2022 VIS Credit Rating Company Limited. All rights reserved. Contents may be used by news media with credit to VIS.

Due Diligence Meetings

Name	Designation	Date
Mr. Mohsin	CFO	22-Jun-2022
Mr. Babar Baig	Head of Sales and Marketing	22-Jun-2022