RATING REPORT

TNB Liberty Power Limited

REPORT DATE:
August 19, 2022

RATING ANALYSTS:
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RATING DETAILS		
Rating Category	**Initial Rating**	
	Long-term	**Short-term**
Entity	A+	A-1
Rating Date	*August 19, 2022*	
Rating Outlook	Stable	
Rating Action	Initial	

COMPANY INFORMATION	
Incorporated in 1995	External auditors: Yousaf Adil & Co.
Private Limited Company	Chairman: Mr. Mujahid Pervaz
Key Shareholders (with stake 5% or more):	CEO: Mr. Shaheryar Chishty
TNB Power Daharki Limited - 100%	

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

TNB Liberty Power Limited

OVERVIEW OF THE INSTITUTION

TNB Liberty Power Limited was incorporated as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) in 1995. The principal activity of the company is to build, own, operate and maintain a 235MW gas-fired IPP at Daharki.

Profile of CEO

Mr. Shaheryar Chishty is the Founder & CEO AsiaPak Investments, he has deployed over $3.5 billion in CPEC/Pakistan. He is also the Chairman of Daewoo Express Pakistan, country's largest bus transport operator and ex-chairman, Lahore Electricity Supply Corporation. Mr. Chisty is also the Chairman / Board member of the National Power Parks Management Company Limited. Prior to this, he has also served as Head of Asia Industrials at Citigroup.

RATING RATIONALE

The ratings assigned to TNB Liberty Power Limited (TNBL) take into account low business risk profile of the company underpinned by inking of 25-year long power purchase agreement (PPA) with 'take or pay' provision with the Central Power Purchasing Agency (Guarantee) Limited (CPPA-G). Presence of long-term PPA with guaranteed capacity payments mitigates off-take risk as obligations of CPPA-G are backed by sovereign guarantee. Moreover, upholding operational performance in line with agreed performance levels would remain a key-rating driver. Assessment of financial risk profile incorporates sound debt coverage metrics and healthy cash flows in relation to outstanding debt repayments. The ratings remain sensitive to reduction in margins expected post tariff discount implemented on company's capacity payments and EPP's variable operations & maintenance component; given the revision was implemented in Jan'22 the result of the same is yet to be ascertained. Further, the ratings take comfort from master agreement signed with the GoP leading to improved liquidity indicators as a sizeable chunk of the outstanding trade debts was received during the ongoing year.

The ratings incorporate change in ultimate ownership of the company leading to changes in liability profiling; the same in turn has resulted in procurement of long-term debt to fund loan payable to original shareholders. Given, the company is headed towards the end of its PPA term, the debt servicing of the aforementioned financing will be done from the company's profit generation as opposed to normal provision in built in capacity payments. Subsequently, as an outcome of increase in borrowings, gearing has scaled upwards during the rating review period. The ratings reflect observations of external auditors involving going concern and emphasis of matter citations. Nevertheless, management believes that adequate mitigants for the observations are in place. The leverage indicators are expected to improve over time on account of timely repayment of debt coupled with augmentation of equity base through profit retention; the projected improvement in the aforementioned is captured in the assigned rating. Going forward, ratings remain dependent on sustained efficiency levels, improvement in leverage indicators and corresponding profitability indicators.

Key Rating Drivers

Company Profile & Project Statistics: TNBL was incorporated as a public limited company under the Companies Ordinance, 1984. The project initially had two phasis; Phase-I was re-designated to generate 235MW when the Implementation Agreement and Power Purchase Agreement (PPA) were signed, and due to the delays in achieving financial close for Phase-I on account of prolonged gas allocation negotiations, Phase-II of the project was shelved. The company operates a 235MW gas-fired IPP at Daharki, set up under the 1994 Power Policy for a term of 25 years which commenced from 10th Sep, 2001. The plant currently is operating at an efficiency level of around 42% and has availability factor of 93%. TNBL is ranked second on the economic merit order list of dispatch for the first 61.9GWh and was ranked 34th for the capacity exceeding 61.9GWh as per the economic merit order list of 15th June' 22. From March'22, the O&M of the project is being carried out internally. Major project statistics and details are tabulated below:

Items	Particulars
Date of Incorporation	21st August, 1995 under the Companies Ordinance 1984
Complex Location	Mirpur Mathelo, Ghotki District, Sindh province, Pakistan
COD	10th September 2001
LPL Power Plant Land Size	128 acres, of which 88 acres are utilized
Generation Configuration	235 MW at ISO gas fired combined cycle
Fuel	Natural Gas with High-Speed Diesel as backup
Gas Supplier	Sui Northern Gas Pipelines Ltd (SNGPL) which derives gas from Qadirpur Gas Field operated by OGDCL
Off taker	Exclusively by CPPA-G on behalf of Pakistan Water and Power Development Authority (WAPDA)
EPC Contractor	Ansaldo Energia
Operations & Maintenance (O&M) Contractor	Italtec Energy Pvt. Limited, since 2002 till expiry in August 2021 (extended 6 times); now in house

Auditors note citing material uncertainly related to going concern:

TNBL's Gas Supply Agreement (GSA) with Sui Northern Gas Pipeline Limited (SNGPL) expired on 31st August, 2015. As per the auditors note, due to such event, a material uncertainty exists on the ability of the company to continue as a going concern and it may be unable to realize its assets and discharge its liabilities in the normal course of business. The company requested the GoP for the extension of GSA till end of PPA term. In this regard, The Ministry of Petroleum and Natural Resources (MPNR) in CY16 informed that Economic Coordination Committee (ECC) of the cabinet has approved that up to 45mmcfd raw gas from Oil and Gas Development Company Limited's Qadirpur gas field to be allocated to the company up to year 2025-26 and GSA term would be extended between SNGPL and the company accordingly. TNBL has shared draft Supplement Agreement with SNGPL in this respect. Moreover, various meetings have been held between the company, SNGPL, OGDCL and Private Power and Infrastructure Board (PPIB) in this respect and the regulatory authorities are also following up the matter. However, signing of GSA is still pending as back-to-back agreement between SNGPL and OGDCL is still not finalized, however, the company is still receiving gas from SNGPL every year since the expiry of GSA. The execution of supplement agreement will not have any retrospective financial effect on the company as the gas supply has been secured for the full PPA term of 25 years. TNBL is confident that GSA will duly be signed in due course of time. Accordingly, the financial statements have been prepared on a going concern basis.

Suspension of gas supply from SNGPL:

During FY21, SNGPL suspended the supply of gas to the complex in months of January, February and December for a total period of 54 days. The reason cited by the SNGPL was non-payment. However, the gas supply to the complex has also been suspended by SNGPL during the past 5-6 years during the winter season citing operational constraints. It should be noted that in accordance with the PPA Amendment Agreement, any periods of non-supply of gas by SNGPL irrespective of the reasons given, will be treated as other force majeure event (OFME) and the period of the PPA will be extended accordingly. Therefore, the gas outage period during financial years 2011 to 2021 aggregating to 376 days was treated as OFME under the PPA; hence, the term of the PPA will get an extension by the same number of days. For the OFME Period, both CPPA-G and TNBL have agreed to settle/withdraw the disputed capacity revenue invoices amounting to Rs. 1.2b; the same have now been waived off.

Change in Ownership: The company is a wholly owned subsidiary of TNB Power Daharki Limited (TBD), which is incorporated in Mauritius. During FY21, AsiaPak Investment Limited (APIL) acquired 100% ownership of TBD from Tenaga Nasional Berhad (TNB) on November 30, 2021. Due to change of ownership of TBD, the new ultimate holding company of TNBL is APIL effective from such date. Given change in ownership, multiple transactions having different implications were carried out during the outgoing year.

Changes in the liability profiling during FY21 owing to change in ownership structure:

The loan payable, categorized under current liabilities, to the previous sponsors reduced to Rs. 4.3b (FY20: Rs. 10.8b) during FY21 on account of repayment of sponsor loan. Given delay in finalization of gas supply agreements at the start of the project leading to servicing of payment to the original financier, the company obtained loan from the original sponsors. The principal amount of loans was repaid in full during FY15; however, the interest payable to the holding company under the terms of agreement was deferred and agreed to be paid during the repayment period of each loan. Deferred interest payable was non-interest bearing. As per the financial statements, the company paid USD $43.1m, amounting to Rs. 6.5b, to the sponsors during the outgoing year therefore interest on long term loans reduced to USD $24.3m (FY20: USD $ 67.4m) by end-FY21; the remaining interest will be paid in due course.

Moreover, trade and other payables also reduced to Rs.5.7b (FY20: Rs. 7.8b) on account of payment/writeoff of payables amounting to Rs. 4.7b due to TNB during FY21. The amounts represented payable to TNB in respect of consulting, advisory and other services rendered up to 23rd April,1998. The financing was repayable in ten equal installments over five years commencing from Sep,2002: the financing was interest free, however, late payment charges at 3M-LIBOR USD rate were payable on the overdue installments. During the outgoing year, due to change in the ultimate ownership of the company, TNBL paid Rs. 1.3b (USD $7.5m) to TNB while the remaining amount was waived off by the latter at end-FY21. In addition, payable amounting to Rs. 631.0m to TNB on account of late payment charges on the overdue amount have also been waived off during FY21.

In order to finance the repayment of long-standing interest accrued to the original sponsors of the project (TNB) the company procured long term credit facility amounting to Rs. 4.0b during FY21. The facility carries a markup charge of 6M-KIBOR+2.25% per annum, payable in five years, is secured by hypothecation charge on all present and future fixed and current assets of the company. In addition to procurement of long-term financing to fund the payables of original sponsors, the company also arranged a Shariah compliant short term finance facility of Rs. 3.0b during FY21; the facilities carry markup rate of 6M-KIBOR+1.50%.per annum. The facility is secured by the hypothecation charge over the present and future fixed (excluding land and building) and current assets of the company with 25% margin.

Increase in revenues on account of higher quantum of energy delivered to national grid: In line with increase in electricity generated and delivered to national grid to 1.2m

MWh (FY20: 0.83 MWh), TNBL's revenue was recorded higher at Rs. 16.3b (FY20: Rs. 14.5b) during FY21. The revenue comprised of higher energy purchase price (EPP) payments recorded at Rs. 14.0b (FY20: Rs. 11.7b) from combined cycle operations meanwhile capacity purchased price (CPP) remained unchanged at Rs. 2.9b (FY20: Rs. 2.9b) during FY21. Moreover, the interest on delayed payment also reduced to Rs. 1.3b during FY21 as opposed to Rs. 1.6b in the preceding year. Despite significant jump in energy generation, the same did not reflect fully in the energy payments given gas was procured at a lower rate during FY21 as compared to previous year in line with dip in international natural gas prices amid covid-19 related downturns. Subsequently, the contribution of EPP payments, that are normally pass through, to sales revenue did not increase proportionally to energy generation increase; the same reflected positively on the gross margins of the company which increased to 18.8% (FY20: 14.7%) during FY21. Moreover, despite decrease in proportion of CPP in the revenue mix the gross margins of the company still increased as an outcome of reduced contribution of delayed payment interest to sales revenue coupled with notable reduction in depreciation charge to Rs. 1.4b (FY20: Rs. 1.9b) in line with reduced overhaul/inspection charges for the outgoing year.

As a one-off event stemming from change in ultimate ownership, TNBL booked significantly large other income amounting to Rs. 3.7b (FY20: Rs. Nil) during FY21 in line with waiver of trade payables of the same amount. As per the accounting adjustment, the amount of trade payables waived off by TNB (previous sponsor) has been recognized as other income. On the other hand, other expenses amounting to Rs. 1.3b (FY20: Rs. Nil) were recorded during FY21 due to trade receivables of the same amount being written off primarily on account of PPA amendment. Further, finance cost increased to Rs. 922.5m in FY21 in comparison to Rs. 719.3m in previous year in line with higher exchange loss of Rs. 878.5m (FY20: Rs. 518.8m) booked during FY21. Moreover, as per the Implementation Agreement signed with the Government of Pakistan in 1995 the company is not liable to taxation on its income from the power project as provided under the Income Tax Ordinance, 2001 while tax is payable on income from other sources, therefore, provision for tax on income from other sources was charged minimal at Rs. 3.4m (FY20: nil) during FY21.

Amendment of Power Purchase Agreement (PPA) involving tariff adjustment and recovery of outstanding receivables:

Under the terms of the PPA Amendment Agreement signed with CPPA-G on October 15, 2021, TNBL has been provided a 'Tariff Discount' of 11% in both capacity payments and EPP's variable operations & maintenance component with effect from the date of receipt of first tranche from CPPA-G. Additionally, the company has also agreed to restrict the indexation of the US Dollar exchange rates and US CPI for 50% of the reduced scalable component of CPP as on August 12, 2020. The fixed USD exchange rate for TNBL for calculation of 50% of the escalable component of CPP has been locked in at Rs.168. Other than the aforementioned tariff adjustment, the company was also entitled to receive undisputed number of overdue receivables on 30th June, 2021 from the power purchaser, CPPA-G, in two tranches. Subsequently, TNBL received first tranche amounting to ~Rs. 6.0b in Jan'22 while the second tranche was received in June'22. Given, the first tranche of overdue receivables was received by the company in Jan'22, the recording of revenues under the new tariff regime started in the ongoing year. Going forward, given the revision in tariff, the profitability indicators of the company are expected to trend downwards. On account of PPA amendment, the auditors of the company cited 'Emphasis of Matter' note on the audited financial statements for FY21.

Waiver of liquidity damages (LDs) by the power purchaser, CPPA-G:
CPPA-G has waived and released the company from the LDs amounting to Rs. 9.9b claimed due to non-supply of electricity, as per the amendment of PPA. The power purchaser also agreed to release TNBL from any claims, damages, or liability related to or arising from any alleged failure of the company to deliver net electrical output or meet despatch requirements during the OFME period, including without limitation invoices related to liquidated damages imposed on the company during OFME period.

Sound liquidity position supported by internal cash flows generation; adequate coverages despite exponential increase in borrowings:

Liquidity profile of the company is supported by healthy cash flows generation. In line with positive trajectory in revenues and gross margins coupled with sizable other income booked, funds from operations (FFO) increased significantly to Rs. 6.6b (FY20: Rs. 3.5b) during FY21. However, despite sizable growth in FFO, FFO to total debt and FFO to long-term debt reduced to 0.92x (FY20: 20.4x) 1.62x (FY20: 61.2x) respectively by end-FY21 owing to considerable increase in both long-term and short-term borrowings emanating from change in ultimate ownership of the company. Prior to FY21, TNBL had an almost long-term debt free balance sheet given the normal period of capital financing of independent power producers (IPPs), around 10 years, had already lapsed. In addition, given the company raised long-term funding amounting to Rs. 4.0b during the outgoing year, no sizable repayment was due therefore, the debt service coverage in line with growth in FFO increased to 150.1x (FY20: 15.5x) at end-FY21.

Asset mix primarily comprises power plant and receivables from CPPA-G:

Asset base of the company increased to Rs. 32.5b (FY20: Rs. 29.9b) by end-FY22 in line with growth in trade receivables, other receivables and long-term advance extended to associate company. Trade receivables increased to Rs. 20.5b (FY20: Rs. 18.1b) by the end of outgoing year in line with increased revenue generation. The trade debts are receivables from CPPA and are secured by sovereign guarantee under IA; the same are under normal course of business and considered good. The receivables carry a late payment interest (LPI) at KIBOR- 2% per month in case the amounts are not paid within due dates. Trade debts include Rs. 3.0b (FY20: Rs. 2.4b) related to LPI which has been accrued by the company. In line with provisions of PPA Amendment Agreement, out of the recognized receivable, TNBL has assessed that amounts aggregating to Rs. 1.2b are no longer recoverable being the CPP of OFME period and therefore, such amounts have been written-off during FY21 in other expenses.

Overdue receivables included Rs. 12.1b (FY20: Rs. 9.9b) overdue for more than one year; the delay in receivables is inherent in the power sector due to circular debt escalation. On the other hand, the delay in receivable poses no credit risk for the company owing to sovereign guarantee attached. In addition, as per the PPA Amendment Agreement, the total outstanding overdue at end-June’21 amount was to be paid in two equal installments; first installment of the same was received in Jan’22 while the second was received in June’22, the same has lead to decline in receivables coupled with improvement in liquidity position of the company.

Advances, deposits and prepayments increased to Rs. 3.0b (FY20: Rs. 2.6b) mainly pertaining to security deposit with gas supplier, sales tax refundable and receivables from CPPA-G as pass through items including workers’ profit participation fund and workers’ welfare fund. As a result of sizable decline in current liabilities, the current ratio improved to 1.91x (FY20: 1.19x) at end-FY21. In addition, asset mix includes long term advance provided to an associate concern, DW Pakistan (Pvt.) Limited, to meet its financial obligations under the financing agreement for period of 4 years with one-year grace period, repayable in three equal annual instalments at mark-up of 6M-KIBOR+2.25% per annum, payable on semi-annual basis. Maximum amount outstanding during FY21 was recorded at Rs. 1.1b.

Increasing leverage indicators: Paid up capital of the company remained unchanged at Rs. 3.5b while the total equity accumulated to Rs. 15.3b (FY20: Rs. 11.1b) at end-FY21 owing to significant internal capital generation. In order to finance acquisition / working capital requirements, TNBL obtained short-term credit amounting to Rs. 3.1b (FY20: Rs. 114.8m) by end-FY21; as per the management the short-term funding requirement has subsided post recovery of first tranche of receivable since Jan'22. Going forward, the short-term funding requirement will remain dependent upon the payment pattern of receivables of CPPA-G. Moreover, in order to retire sponsor loan due to change in ultimate ownership TNBL had to procure long-term borrowing amounting to Rs. 4.0b; the same is a unique feature given now the debt servicing of the aforementioned financing will be done from the company's profit generation as opposed to provision in built in capacity payments. In line with increased utilization of borrowings, gearing trended upwards and was recorded higher at 0.47x (FY20: 0.02x; FY19: 0.13x) by end-FY21. On the other hand, in line with payment/adjustment of trade payables and holding company's loan coupled with augmentation of equity base, leverage indicators improved on a timeline to 1.13x (FY21: 1.70x; FY20: 2.23) by end-FY21. Nevertheless, given there are no plans for further borrowings in the foreseeable future, the leverage indicators are expected to improve, going forward.

TNB Liberty Power Limited — Annexure I

FINANCIAL SUMMARY	*(amounts in PKR millions)*		
BALANCE SHEET	**FY19**	**FY20**	**FY21**
Fixed Assets	9,418.9	7,593.0	6,168.4
Long-term advance to Associated Company	-	-	1,145.0
Inventories	1,222.4	1,251.0	1,281.4
Trade Receivables	18,654.3	18,101.9	20,522.7
Advances, Deposits & Prepayments	2,435.4	2,568.7	3,013.8
Tax Refund from Government	347.0	375.9	387.3
Cash & Bank Balances	-	-	0.02
Total Assets	32,078.0	29,890.5	32,518.6
Trade and Other Payables	9,618.3	7,837.1	5,700.6
Loan payable to Holding Company	10,447.4	10,801.1	4,291.7
Long Term Debt	-	57.5	4,049.0
Short Term Debt	2,080.1	114.8	3,061.9
Total Debt	2,080.1	172.3	7,110.8
Total Liabilities	22,145.9	18,810.4	17,235.1
Tier-I/Total Equity	9,932.1	11,080.0	15,283.5
Paid Up Capital	3,528.0	3,528.0	3,528.0
INCOME STATEMENT	**FY19**	**FY20**	**FY21**
Net Sales	18,686.0	14,539.9	16,254.4
Gross Profit	3,107.2	2,133.4	3,060.6
Profit Before Tax	744.0	1,140.3	4,276.9
Profit After Tax	744.0	1,140.3	4,273.5
RATIO ANALYSIS	**FY19**	**FY20**	**FY21**
Gross Margin (%)	16.6	14.7	18.8
Net Margin	4.0	7.8	26.3
Trade debts/Sales (%)	99.8	124.5	126.3
FFO	4,286.2	3,517.6	6,552.5
FFO to Total Debt (x)	2.06	20.41	0.92
FFO to Long Term Debt (x)	-	61.15	1.62
Current Ratio (x)	1.90	2.20	2.60
Debt Servicing Coverage Ratio (x)	17.2	15.5	150.1
Gearing (x)	0.21	0.02	0.47
Debt Leverage (x)	2.23	1.70	1.13

ISSUE/ISSUER RATING SCALE & DEFINITIONS — Annexure II

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	Annexure III				
Name of Rated Entity	TNB Liberty Power Limited				
Sector	Power				
Type of Relationship	Solicited				
Purpose of Rating	Entity Ratings				
Rating History	Rating Date	Medium to Long Term	Short Term	Rating Outlook	Rating Action
	RATING TYPE: ENTITY				
	10-08-2022	A+	A-1	Stable	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.				
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Due Diligence Meetings Conducted	Name	Designation	Date		
	Mr. Adnan Rizvi	CFO	19-05-2022		
	Mr. Sohaib Anjum	Manager Business Development	19-05-2022		