



PRESS RELEASE

InfraZamin Pakistan awarded 'AAA' Credit Rating by PACRA

Rating driven by strong sponsors, robust capital structure and experienced management team

For immediate release

Karachi, Pakistan – 5 May 2021

InfraZamin Pakistan Limited (InfraZamin) has been assigned the highest credit ratings possible by the Pakistan Credit Rating Agency (PACRA), with a long-term rating of AAA (Triple A) and short-term rating of A1+ (A One Plus). The strong positive rating by PACRA comes as InfraZamin is gearing up to launch business operations and lends further support for InfraZamin's plans to develop the infrastructure financing market in Pakistan by offering credit enhancement solutions.

InfraZamin Pakistan is a commercial credit enhancement facility, developed by GuarantCo, that seeks to crowd-in funding from the local market for sustainable and socially responsible infrastructure projects in Pakistan.

The facility is an initiative of the Private Infrastructure Development Group (PIDG). InfraZamin's sponsors include PIDG companies InfraCo Asia Investments (InfraCo Asia) and GuarantCo, in partnership with non-profit Karandaaz Pakistan. This will be the first-of-its-kind facility in Pakistan that seeks to provide local currency guarantee solutions and is expected to be vastly beneficial in bringing new projects and borrowers to the market. The establishment of InfraZamin benefitted from the advisory support of Capital Partners Group.

InfraZamin will serve as a catalyst for greater private sector participation in long-term, local currency financing of infrastructure in Pakistan. At present, infrastructure financing in Pakistan is characterised by the dominance of commercial bank lending, underdeveloped capital markets, the public sector crowding out private sector borrowers, and a heavy reliance on external markets.

InfraZamin's credit enhancement solutions are intended to address these gaps in infrastructure financing in order to provide new and improved access to basic infrastructure, create jobs, as well as promote inclusive growth and sustainable development. Development impact, trust and additionality form the core of InfraZamin's business values along with a commitment to the United Nation's Sustainable Development Goals (SDGs).

The guarantee solutions will target sectors which typically face bankability issues, and which present the opportunity to create high development impact in Pakistan. These sectors range from digital communications, to renewable energy, education, healthcare, and water and sanitation, where there is still chronic underinvestment.

InfraZamin has a total of PKR 4.125 billion of equity capital from InfraCo Asia as 60% shareholder and Karandaaz as 40% shareholder. In addition to the paid-in capital, GuarantCo will provide a Contingent Capital Facility with a callable capital of up to PKR 8.125 billion. InfraZamin has the ability to leverage its capital when issuing guarantees.

InfraZamin's recently appointed Board of Directors carries considerable strategic depth and financial sector expertise. The Board is led by Allard M Nooy as Chairman, who is CEO of InfraCo Asia and brings with him over 25 years of strategic executive leadership experience in the infrastructure sector in emerging markets in Asia. He is joined by Khoo Boo Hock who has almost three decades of risk management, credit rating, and setting up guarantee businesses across ASEAN.

The Board also includes local notables – Navid Goraya who is the Chief Investment Officer of Karandaaz, Tayyeb Afzal who is a seasoned C-level executive with over 45 years of international experience in both industry and professional services and Muneer Kamal who has 40 years of experience in senior leadership and board positions.

InfraZamin Pakistan's management team is led by Maheen Rahman, who has over twenty years of experience in financial services, with a diverse range of international and national expertise across policy and governance, investment banking, equity and economic research, equity brokerage and fund management. Maheen has been featured on Fortune's "40 Under 40's Women to Watch" list in 2015. She was previously the CEO of Alfalah Investments and IGI Funds and has served as both Chair and Director of the Mutual Funds Association of Pakistan, Director on the Board of GSK Pakistan and Director Pakistan Institute of Corporate Governance.

Maheen is supported by Khusro Mumtaz as the Chief Risk Officer, who brings with him three decades of banking experience in corporate banking, credit risk and risk management covering a range of jurisdictions. Mehvish Waliq, CFA, has joined InfraZamin as the Chief Investment Officer and she brings with her financial services industry experience spanning almost two decades. Prior to joining InfraZamin, she served as the Head of Investment Banking Group of Bank Alfalah where she managed a project finance and debt capital markets & syndications portfolio of US\$ 375 Mn.

The team is further augmented by Ms Saba Rind as Legal Counsel and Company Secretary, Mr Hamza Saboor as the Financial Controller and Ms Iram Iqbal as Head of HR and Operations. Saba has over 10 years of experience in diverse areas of law including litigation, corporate, commercial and intellectual property (IP) including serving as a banking & finance attorney at Clifford Chance, New York. Hamza has a decade of proven track record in devising finance operational strategies with various institutions while Iram brings two decades of holistic and functional HR development exposure.

With its newly inducted board and team, along with a strong 'AAA' rating from PACRA, InfraZamin Pakistan stands committed to its mandate to promote local lending to infrastructure along with capital and bond market development in Pakistan.

About Partners of InfraZamin Pakistan

InfraCo Asia: InfraCo Asia Investments Pte Ltd (InfraCo Asia) is a commercially managed infrastructure investment company of PIDG, funded by the UK's Foreign, Commonwealth & Development Office (FCDO), a member of PIDG. Headquartered in Singapore, InfraCo Asia provides funding and development expertise for early-stage infrastructure projects in South and Southeast Asia, to realise socially responsible and commercially viable infrastructure that contributes to sustainable and inclusive economic growth. For more information, visit www.infracoasia.com.

Karandaaz Pakistan: is a non-profit that provides capital to SMEs through a commercially directed investment platform, and promotes financial inclusion of individuals by employing technology-enabled solutions for fostering economic growth. Karandaaz is funded by the FCDO and the Bill & Melinda Gates Foundation. For more information, visit <https://karandaaz.com.pk/>.

GuarantCo: GuarantCo mobilises private sector local currency investment for infrastructure projects and supports the development of financial markets in lower income countries across Africa and Asia. GuarantCo executed its first deal in Pakistan in 2013. It is part of PIDG and is funded by the governments of the United Kingdom, Switzerland, Australia and Sweden, through the PIDG Trust, and the Netherlands, through FMO and the PIDG Trust, and France through a stand-by facility. GuarantCo is rated AA- by Fitch, A1 by Moody's, and AAA by PACRA. GuarantCo's activities are managed by GuarantCo Management Company which is part of Cardano Development. For more information, visit www.guarantco.com.

The Private Infrastructure Development Group: PIDG is an innovative infrastructure development and finance organization which encourages and mobilises private investment in pioneering infrastructure in the frontier markets of sub-Saharan Africa, South and Southeast Asia to promote economic development and combat poverty. Since 2002, PIDG has supported 175 infrastructure projects to financial close and provided 223 million people with access to new or improved infrastructure. PIDG is funded by six governments (the UK, the Netherlands, Switzerland, Australia, Sweden, Germany) and the International Finance Corporation. For more information, visit <https://www.pidg.org/>.

For further information:

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