



The Pakistan Credit Rating Agency Limited



PRESS RELEASE

Grading Action

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Analyst

Umair ur Rehman
(+92-42-586 9504)
umair@pacra.com
www.pacra.com

PACRA AND NESPAK DOWNGRADE THE DEVELOPER GRADING OF EDEN DEVELOPERS (PVT.) LIMITED

Pakistan Credit Rating Agency (PACRA) and NESPAK have downgraded the Developer Grading of Eden Developers (Pvt.) Limited to 'DG3' [previous grading 'DG2']. The grading denotes good project execution capacity and the prospects of execution as per plan and the ability to transfer ownership as per terms, is also considered good.

The downward grading adjustment reflects the challenging operating environment, which has impacted sales of new projects and exerted considerable pressure on the ensuing cash flows and the financial profile of the company. At the same time, the grading recognizes the sponsors decision to restrict the scope of operations of the company towards completion of existing projects and realize other assets. This is likely to impact the quality of the company's currently robust project management systems, going forward.

About the company: Eden Developers (Pvt.) Limited (EDPL) is part of the Eden Group, which operates three independent setups in the real estate sector (Eden Developers, Eden Builders and Eden Housing). Eden Developers has completed 18 projects since its inception in 1981, with most projects located in Lahore city. It is sponsored by two brothers: Dr. Muhammad Amjad and Mr. Muhammad Arshad, who possess rich experience of managing construction and related businesses.

National Engineering Services Pakistan (Pvt) Limited (NESPAK) is Pakistan's premier engineering consultancy organization. NESPAK, with its proven expertise in almost all engineering disciplines, offers a broad spectrum of expert consultancy services ranging from conception to completion and operation of development projects.

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