



Rating Action

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PACRA MAINTAINS ENTITY RATINGS OF PAK LIBYA HOLDING COMPANY (PVT.) LIMITED

The Pakistan Credit Rating Agency (PACRA) has maintained the long-term and short-term entity ratings of Pak Libya Holding Company (Pvt.) Limited at 'AA-' (Double A Minus) and 'A1+' (A One Plus) respectively. These ratings indicate a very low expectation of credit risk emanating from the highest capacity for timely payment of financial commitments.

The ratings reflect the joint ownership of PLHC by the Governments of Pakistan and Libya, implying support to the company. At the same time, the ratings factor in the strong risk absorption capacity on the back of a sound capital structure and a conservative stance towards risk. However, PLHC remained relatively constrained in building a loan book and diversifying the revenue streams.

About the company: Pak-Libya Holding Company (Pvt.) Limited established as a joint stock company in 1978 is equally owned by the Government of the Islamic Republic of Pakistan and the Socialist Peoples Libyan Arab Jamahiriya, through Libyan Arab Foreign Investment Company (LAFICO). LAFICO a state owned company has a large portfolio of investments spread over Africa, Asia and Europe.

The six-member board of PLHC has equal representation of both sponsor countries. The managing director and CEO of the company, Mr. Naeemuddin Khan, possesses over twenty-five years of experience in both local and international banks. Mr. Saleh JM Abdalla, recently joined PLHC as DMD representing Libyan interest. He is expected to strengthen the strategy formulation process in the company and enhance the ability to tap opportunities in Libya, mainly to attract resources to Pakistan.

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