



The Pakistan Credit Rating Agency Limited

Rating Report

Orient Power Company (Pvt.) Limited

Report Contents

1. Rating Analysis
2. Financial Information
3. Rating Scale
4. Regulatory and Supplementary Disclosure

Rating History

Dissemination Date	Long Term Rating	Short Term Rating	Outlook	Action	Rating Watch
10-Jun-2022	AA-	A1	Stable	Initial	-

Rating Rationale and Key Rating Drivers

Orient Power Company (Private) Limited (Orient Power or the Company) has been established to set up and operate, combined cycle dual fuel, 212.7 MW net power generation plant, for generation of electricity and onward sale of electricity to the Power Purchaser (CPPA-G). The plant achieved its commercial operations date (COD) on May 24, 2010. The ratings reflect strong business profile of the Company emanating from the demand risk coverage under 30 year Power Purchase Agreement (PPA) signed between CPPA-G and the Company starting from the COD. Meanwhile, the Implementation Agreement provides sovereign guarantee for cash flows, given adherence to agreed performance benchmarks (Availability: 90%, Efficiency: 51.2% on gas/RLNG and 48.5% on HSD, subject to annual heat rate degradation and part load curves. The Company continues to meet its performance benchmarks. Comfort is drawn from General Electric International Inc. (G.E) which is the Operations, Maintenance and Service (O&M) Contractor having both local and international experience in the energy sector. The primary fuel of the plant is Gas/Regasified Liquefied Natural Gas (RLNG) which is supplied by Sui Northern Gas Pipeline Limited (SNGPL) and HSD is the backup fuel. Thus fuel supply risk is considered adequate, pertaining to the meaningful addition of RLNG in Pakistan's fuel mix. During the period, 6MFY22 & FY21, Orient Power delivered ~445GWh, & ~623GWh of electricity to the national grid and recorded sales revenue of PKR ~10,327mln & PKR ~11,643m, with a Net Profit of PKR ~879mln & PKR ~1,194mln respectively. Equity of the Company as of 6MFY22 stood at PKR ~15,736mln. Pursuant to MoU signed with the CPPA-G, the Company has received its first installment approx. of PKR 2.88bln on Jan 22 (40% of outstanding overdue receivables as on November' 20 (PKR~ 7.2bln) in form of 1/3rd cash, 1/3rd PIB and 1/3rd Sukuk's) this improve the liquidity, rest 60% will be received after 6 months of the first installment. Pursuant to Master Agreement dated 11 February 2021, the Company has revised its ROE in respect of local equity portion (29%) to 17% from 15% with no dollar indexation and in respect of foreign equity portion (71%) ROE has been revised to 12% from 15% with dollar indexation intact. The working capital requirements of the Company are fulfilled through mix of short term borrowing and deployment of internal cashflows. Currently the Company has arranged amicable working capital lines of PKR ~8,087mln out of which 77% (PKR ~6,254mln) had been utilized as of 6MY22. Orient Power has successfully paid its project related debt in March'20.

Upholding operational performance in line with agreed performance levels would remain a key rating driver. Sustained good financial discipline and upholding strong operational performance in line with agreed performance levels remain important

Disclosure

Name of Rated Entity	Orient Power Company (Pvt.) Limited
Type of Relationship	Solicited
Purpose of the Rating	Entity Rating
Applicable Criteria	Methodology Independent Power Producer Rating(Jun-21),Criteria Correlation Between Long-term & Short-term Rating Scales(Jun-21),Criteria Rating Modifiers(Jun-21)
Related Research	Sector Study Power(Jan-22)
Rating Analysts	Anam Waqas Ghayour anam.waqas@pacra.com +92-42-35869504

Profile

Plant Orient Power Company (Private) Limited (OPCOL) is operating a Combined Cycle dual fuel thermal power plant with capacity of 229MW (Gross ISO) on build-own-operate basis. The plant, located in Balloki District Kasur. The plant is into its Commercial Operations since May 2010.

Tariff Orient Power's key source of earnings is based on the generation tariff determined by NEPRA. Tariff consists of two components i.e., Energy Purchase Price and Capacity Purchase Price with indexations. Levelized tariff on Gas as per NEPRA determination is PKR 2.4538 per Kilowatt hour (KWh) at COD, and on HSD fuel is PKR 9.9456 per Kilowatt hour (KWh) at COD.

Return On Project Pursuant to Master Agreement dated 11 February 2021, the Company has revised its ROE in respect of local equity portion (29%) to 17% from 15% with no dollar indexation and in respect of foreign equity portion (71%) ROE has been revised to 12% from 15% with dollar indexation intact.

Ownership

Ownership Structure The sponsors include O.Q.S.A.O.C. (42.8%), Mr. Nadeem Babar (22.81%), Mehmood Textile Mills (20.97%), Pak Oman Investment Company (5.43%) and Grindlewald FZE (8%).

Stability The sponsors of the project have penetration in other business segments like oil, gas, aluminum, power and food sector. Therefore, stability is considered strong.

Business Acumen OPCOL's sponsors have strong business skills, particularly Mr. Nadeem Babar, have development and industry-specific working knowledge and strategic thinking capability.

Financial Strength The financial strength of the sponsors is considered strong as the sponsors have well diversified profitable businesses. The sovereign support of the government in the shape of Sovereign Guarantee, has further enhanced this capability.

Governance

Board Structure OPCOL has a seven-member board, including the CEO. The board comprises of three nominees of O.Q.S.A.O.C, one each from Mahmood Textile Mills, and Grindlewald FZE, Nadeem Babar and one is deemed directors by virtue being CEO.

Members' Profile Board members have deep understanding of the power sector and has strong professional profile that assists the management in terms of strategic guidance and implementation of strong control framework

Board Effectiveness Most of the board members have a long association with the board. During FY21, three board meetings were held. Despite various commitments of experienced board members, attendance of the board meetings remained satisfactory. A strong control environment is maintained.

Financial Transparency The auditor (A.F. Fergusons & Co.) has given an unqualified opinion on the financial statements as at end-Jun 21 while highlighting the company's litigation regarding receivables from the power purchaser, which has since been resolved pursuant to the Master Agreement dated 11 February 2021.

Management

Organizational Structure Orient Power has a lean management structure with small and efficient management team. The CEO is supported by a team of qualified and experienced professionals.

Management Team Mr. Kashif Bashir Rana (CEO) is a Chartered Accountant with over twenty-five years of post-qualification experience, primarily in Power Sector and three years in textile sector. Plant operations are overseen by Mr. Fayyaz Karim, GM plant is a qualified electrical engineer having vast experience in power sector operations and maintenance.

Effectiveness OPCOL management is mostly engaged in the finance, commercial, legal and technical supervision of O&M Contractor. The operations and maintenance of the plant have been outsourced to GE by way of the O&M contract. Company's management team is conducting regular meetings with GE personnel for better management of plant operations and maintenance and contract terms enforcement.

Control Environment The company maintains an adequate MIS which helps management to keep track of all operations and liaison with O&M operator.

Operational Risk

Power Purchase Agreement Orient Power key source of earnings is the revenue generated through sale of electricity to the power purchaser, CPPA-G. The Company receives the capacity payments, as long average annual availability is at least 90% and is available for dispatch by power purchaser to generate electricity, regardless of whether or not plant is dispatched by the power purchaser. Power Purchase Agreement (PPA) has been signed in 2006 for a term of 30 years from the date of COD.

Operation And Maintenance The company has entered into an Operation, Maintenance & Services Agreement with the consortium of General Electric International, Inc and General Electric Energy Parts, Inc on 17 August, 2006 for a term of eighteen years. The term of the O&M agreement is valid till December 2028.

Resource Risk The company has an agreement with SNGPL for Gas/RLNG which is the primary fuel. Also, the company has entered into a fuel supply agreement/arrangement with multiple OMCs for supply of HSD which is used as a backup fuel. The plant is primarily a combined cycle power plant with two gas turbines from General Electric, a steam turbine from Skoda Power.

Insurance Cover OPCOL has adequate insurance coverage for political violence (PKR 10bln), property damage (PKR 38bln), business interruption (PKR 4.5bln) and public, product and pollution (PKR 2bln each) insurance.

Performance Risk

Industry Dynamics Owing to newly installed plants, Pakistan's energy mix is shifting towards Solar/Gas/and coal from Furnace Oil and other expensive sources. The total installed generation capacity was recorded at ~39,772MW as in FY21 (~38,719MW FY20) up ~3% YoY basis, while actual power generation was recorded at 143,091GWh in FY21 (134,746GWh in FY20), up ~7% YoY basis. The annual Capacity Factor of the Sector was recorded at ~41% in FY21 (~40% FY20).

Generation OPCOL generated 445GWh of electricity during 1HFY22 as compared to 623GWh during FY21 (FY20:338, FY19: 877GWh), an increase of 70% YoY basis.

Performance Benchmark The required capacity of the plant under the agreement is 90%. During the period Orient has been successful in meeting the required plant availability.

Financial Risk

Financing Structure Analysis OPCOL's project capital structure comprised 29% equity and 71% debt. The project cost (71%) was financed through a syndicated term finance loan in local currency and equity was primarily in US\$. The loan size, PKR 9.7bln, was priced at 3-month KIBOR + 3.15% p.a. The repayment tenor was ten (10) years with forty (40) consecutive quarterly payments, starting from March-2010. In March 2020 the company completely paid off its term debt.

Liquidity Profile At 6MFY22, total receivables of the company stood at PKR 13,274mln (FY21: PKR 12,735mln; FY20: PKR 10,281mln). As circular debt continues to be an issue for companies operating in power sector. Consequently, IPPs have to manage their liquidity requirements from short-term borrowings.

Working Capital Financing Company mainly meet its working capital requirements – procurement of gas/fuel and funding of overdue receivables – from a mix of internal cashflow generations and short term borrowings. During FY21, total working capital lines that are arranged to amount PKR 7.882bln (FY20: PKR 7.88bln) of which ~79% has been utilized with cushion of 21% of further drawings. The cushion to borrow further working capital, capped at receivables as on 31 December 2021, in case the company needs it, is ~74%. As at end Dec-21, total receivables of the company stood at PKR 13,274mln (FY21: PKR 12.735mln).

Cash Flow Analysis During the 1HFY22, the company's FCFOs remained in line and stands at PKR 1,464mln (FY21: PKR 3,017mln, FY20: PKR 4,765mln, FY19: PKR 2,968mln).

Capitalization The company has paid-off its long-term debt in 2020 and has a short-term borrowing of PKR 6.25bln in 1HFY22 (FY21: PKR 5.34bln, FY20: PKR 4.54bln). Thus, during 1HFY22, OPCOL has shown a debt coverage ratio [FCFO / Finance Cost+ CMLTD+ Excess STB], to 5.4x with a slight decrease from FY21(FY21: 6.1x, FY20: 3.7x). Gearing ratio stood at 28% with representing 100% short term borrowings.



The Pakistan Credit Rating Agency Limited

Financial Summary
PKR mln

Orient Power Company (Pvt.) Ltd. Power	Dec-21 6M	Jun-21 12M	Jun-20 12M	Jun-19 12M	Jun-18 12M
A BALANCE SHEET					
1 Non-Current Assets	9,242	9,480	9,976	10,474	10,909
2 Investments	-	-	-	-	-
3 Related Party Exposure	-	-	-	-	-
4 Current Assets	17,458	16,329	13,487	14,206	11,596
<i>a Inventories</i>	259	381	228	232	278
<i>b Trade Receivables</i>	13,274	12,735	10,282	11,057	8,480
5 Total Assets	26,699	25,808	23,462	24,680	22,505
6 Current Liabilities	4,672	5,571	4,183	4,404	4,015
<i>a Trade Payables</i>	4,533	5,453	4,031	4,122	3,857
7 Borrowings	6,254	5,343	4,544	7,431	7,183
8 Related Party Exposure	-	-	-	-	-
9 Non-Current Liabilities	37	37	31	24	57
10 Net Assets	15,736	14,857	14,704	12,820	11,249
11 Shareholders' Equity	15,736	14,857	14,704	12,820	11,249
B INCOME STATEMENT					
1 Sales	10,327	11,643	9,990	15,193	12,811
<i>a Cost of Good Sold</i>	(9,044)	(9,094)	(5,688)	(11,341)	(10,260)
2 Gross Profit	1,283	2,549	4,302	3,852	2,551
<i>a Operating Expenses</i>	(25)	(69)	(172)	(131)	(138)
3 Operating Profit	1,258	2,480	4,129	3,721	2,413
<i>a Non Operating Income or (Expense)</i>	(42)	(601)	46	1	60
4 Profit or (Loss) before Interest and Tax	1,215	1,879	4,176	3,722	2,472
<i>a Total Finance Cost</i>	(336)	(685)	(1,459)	(1,527)	(754)
<i>b Taxation</i>	-	-	-	-	-
6 Net Income Or (Loss)	879	1,194	2,717	2,195	1,718
C CASH FLOW STATEMENT					
<i>a Free Cash Flows from Operations (FCFO)</i>	1,464	3,017	4,765	4,181	2,897
<i>b Net Cash from Operating Activities before Working Capital Changes</i>	1,149	2,527	3,842	3,041	2,316
<i>c Changes in Working Capital</i>	(1,385)	(2,437)	(661)	(2,667)	(1,713)
1 Net Cash provided by Operating Activities	(236)	90	3,180	374	604
2 Net Cash (Used in) or Available From Investing Activities	(10)	2	(20)	(121)	32
3 Net Cash (Used in) or Available From Financing Activities	911	(289)	(3,770)	(327)	(75)
4 Net Cash generated or (Used) during the period	664	(197)	(610)	(73)	560
D RATIO ANALYSIS					
1 Performance					
<i>a Sales Growth (for the period)</i>	77.4%	16.5%	-34.2%	18.6%	--
<i>b Gross Profit Margin</i>	12.4%	21.9%	43.1%	25.4%	19.9%
<i>c Net Profit Margin</i>	8.5%	10.3%	27.2%	14.4%	13.4%
<i>d Cash Conversion Efficiency (FCFO adjusted for Working Capital/Sales)</i>	0.8%	5.0%	41.1%	10.0%	9.2%
<i>e Return on Equity [Net Profit Margin * Asset Turnover * (Total Assets/Sh</i>	11.4%	8.4%	18.0%	17.9%	15.3%
2 Working Capital Management					
<i>a Gross Working Capital (Average Days)</i>	235	370	398	241	250
<i>b Net Working Capital (Average Days)</i>	147	222	249	145	140
<i>c Current Ratio (Current Assets / Current Liabilities)</i>	3.7	2.9	3.2	3.2	2.9
3 Coverages					
<i>a EBITDA / Finance Cost</i>	5.4	6.1	3.7	3.0	4.6
<i>b FCFO / Finance Cost+CMLTB+Excess STB</i>	5.4	6.1	3.7	1.4	1.4
<i>c Debt Payback (Total Borrowings+Excess STB) / (FCFO-Finance Cost)</i>	0.0	0.0	0.0	0.6	1.4
4 Capital Structure					
<i>a Total Borrowings / (Total Borrowings+Shareholders' Equity)</i>	28.4%	26.5%	23.6%	36.7%	39.0%
<i>b Interest or Markup Payable (Days)</i>	94.5	87.7	43.1	60.5	91.4
<i>c Entity Average Borrowing Rate</i>	9.3%	10.0%	21.5%	19.2%	8.8%

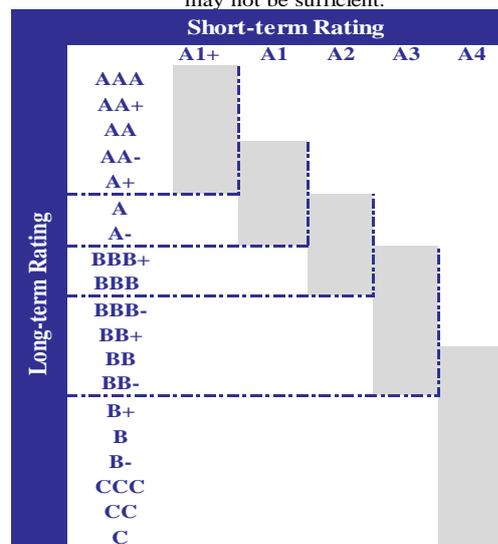
#	Notes

Credit Rating

Credit rating reflects forward-looking opinion on credit worthiness of underlying entity or instrument; more specifically it covers relative ability to honor financial obligations. The primary factor being captured on the rating scale is relative likelihood of default.

Scale	Long-term Rating Definition
AAA	Highest credit quality. Lowest expectation of credit risk. Indicate exceptionally strong capacity for timely payment of financial commitments
AA+	
AA	Very high credit quality. Very low expectation of credit risk. Indicate very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
AA-	
A+	
A	High credit quality. Low expectation of credit risk. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be vulnerable to changes in circumstances or in economic conditions.
A-	
BBB+	
BBB	Good credit quality. Currently a low expectation of credit risk. The capacity for timely payment of financial commitments is considered adequate, but adverse changes in circumstances and in economic conditions are more likely to impair this capacity.
BBB-	
BB+	Moderate risk. Possibility of credit risk developing. There is a possibility of credit risk developing, particularly as a result of adverse economic or business changes over time; however, business or financial alternatives may be available to allow financial commitments to be met.
BB	
BB-	
B+	
B	High credit risk. A limited margin of safety remains against credit risk. Financial commitments are currently being met; however, capacity for continued payment is contingent upon a sustained, favorable business and economic environment.
B-	
CCC	
CC	Very high credit risk. Substantial credit risk “CCC” Default is a real possibility. Capacity for meeting financial commitments is solely reliant upon sustained, favorable business or economic developments. “CC” Rating indicates that default of some kind appears probable. “C” Ratings signal imminent default.
C	
D	Obligations are currently in default.

Scale	Short-term Rating Definition
A1+	The highest capacity for timely repayment.
A1	A strong capacity for timely repayment.
A2	A satisfactory capacity for timely repayment. This may be susceptible to adverse changes in business, economic, or financial conditions.
A3	An adequate capacity for timely repayment. Such capacity is susceptible to adverse changes in business, economic, or financial conditions.
A4	The capacity for timely repayment is more susceptible to adverse changes in business, economic, or financial conditions. Liquidity may not be sufficient.



*The correlation shown is indicative and, in certain cases, may not hold.

Outlook (Stable, Positive, Negative, Developing) Indicates the potential and direction of a rating over the intermediate term in response to trends in economic and/or fundamental business/financial conditions. It is not necessarily a precursor to a rating change. ‘Stable’ outlook means a rating is not likely to change. ‘Positive’ means it may be raised. ‘Negative’ means it may be lowered. Where the trends have conflicting elements, the outlook may be described as ‘Developing’.

Rating Watch Alerts to the possibility of a rating change subsequent to, or, in anticipation of some material identifiable event with indeterminable rating implications. But it does not mean that a rating change is inevitable. A watch should be resolved within foreseeable future, but may continue if underlying circumstances are not settled. Rating watch may accompany rating outlook of the respective opinion.

Suspension It is not possible to update an opinion due to lack of requisite information. Opinion should be resumed in foreseeable future. However, if this does not happen within six (6) months, the rating should be considered withdrawn.

Withdrawn A rating is withdrawn on a) termination of rating mandate, b) the debt instrument is redeemed, c) the rating remains suspended for six months, d) the entity/issuer defaults., or/and e) PACRA finds it impractical to surveil the opinion due to lack of requisite information.

Harmonization A change in rating due to revision in applicable methodology or underlying scale.

Surveillance. Surveillance on a publicly disseminated rating opinion is carried out on an ongoing basis till it is formally suspended or withdrawn. A comprehensive surveillance of rating opinion is carried out at least once every six months. However, a rating opinion may be reviewed in the intervening period if it is necessitated by any material happening.

Note. This scale is applicable to the following methodology(s):

<p>Entities</p> <ul style="list-style-type: none"> a) Broker Entity Rating b) Corporate Rating c) Financial Institution Rating d) Holding Company Rating e) Independent Power Producer Rating f) Microfinance Institution Rating g) Non-Banking Finance Companies (NBFCs) Rating 	<p>Instruments</p> <ul style="list-style-type: none"> a) Basel III Compliant Debt Instrument Rating b) Debt Instrument Rating c) Sukuk Rating
--	---

Disclaimer: PACRA has used due care in preparation of this document. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA shall owe no liability whatsoever to any loss or damage caused by or resulting from any error in such information. Contents of PACRA documents may be used, with due care and in the right context, with credit to PACRA. Our reports and ratings constitute opinions, not recommendations to buy or to sell.

Rating Team Statements

(1) Rating is just an opinion about the creditworthiness of the entity and does not constitute recommendation to buy, hold or sell any security of the entity rated or to buy, hold or sell the security rated, as the case may be | Chapter III; 14-3-(x)

2) Conflict of Interest

- i. The Rating Team or any of their family members have no interest in this rating | Chapter III; 12-2-(j)
- ii. PACRA, the analysts involved in the rating process and members of its rating committee, and their family members, do not have any conflict of interest relating to the rating done by them | Chapter III; 12-2-(e) & (k)
- iii. The analyst is not a substantial shareholder of the customer being rated by PACRA [Annexure F; d-(ii)] Explanation: for the purpose of above clause, the term "family members" shall include only those family members who are dependent on the analyst and members of the rating committee

Restrictions

- (3) No director, officer or employee of PACRA communicates the information, acquired by him for use for rating purposes, to any other person except where required under law to do so. | Chapter III; 10-(5)
- (4) PACRA does not disclose or discuss with outside parties or make improper use of the non-public information which has come to its knowledge during business relationship with the customer | Chapter III; 10-7-(d)
- (5) PACRA does not make proposals or recommendations regarding the activities of rated entities that could impact a credit rating of entity subject to rating | Chapter III; 10-7-(k)

Conduct of Business

- (6) PACRA fulfills its obligations in a fair, efficient, transparent and ethical manner and renders high standards of services in performing its functions and obligations; | Chapter III; 11-A-(a)
- (7) PACRA uses due care in preparation of this Rating Report. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA does not, in every instance, independently verifies or validates information received in the rating process or in preparing this Rating Report.
- (8) PACRA prohibits its employees and analysts from soliciting money, gifts or favors from anyone with whom PACRA conducts business | Chapter III; 11-A-(q)
- (9) PACRA ensures before commencement of the rating process that an analyst or employee has not had a recent employment or other significant business or personal relationship with the rated entity that may cause or may be perceived as causing a conflict of interest; | Chapter III; 11-A-(r)
- (10) PACRA maintains principal of integrity in seeking rating business | Chapter III; 11-A-(u)
- (11) PACRA promptly investigates, in the event of a misconduct or a breach of the policies, procedures and controls, and takes appropriate steps to rectify any weaknesses to prevent any recurrence along with suitable punitive action against the responsible employee(s) | Chapter III; 11-B-(m)

Independence & Conflict of interest

- (12) PACRA receives compensation from the entity being rated or any third party for the rating services it offers. The receipt of this compensation has no influence on PACRA's opinions or other analytical processes. In all instances, PACRA is committed to preserving the objectivity, integrity and independence of its ratings. Our relationship is governed by two distinct mandates i) rating mandate - signed with the entity being rated or issuer of the debt instrument, and fee mandate - signed with the payer, which can be different from the entity
- (13) PACRA does not provide consultancy/advisory services or other services to any of its customers or to any of its customers' associated companies and associated undertakings that is being rated or has been rated by it during the preceding three years unless it has adequate mechanism in place ensuring that provision of such services does not lead to a conflict of interest situation with its rating activities; | Chapter III; 12-2-(d)
- (14) PACRA discloses that no shareholder directly or indirectly holding 10% or more of the share capital of PACRA also holds directly or indirectly 10% or more of the share capital of the entity which is subject to rating or the entity which issued the instrument subject to rating by PACRA; | Reference Chapter III; 12-2-(f)
- (15) PACRA ensures that the rating assigned to an entity or instrument is not be affected by the existence of a business relationship between PACRA and the entity or any other party, or the non-existence of such a relationship | Chapter III; 12-2-(i)
- (16) PACRA ensures that the analysts or any of their family members shall not buy or sell or engage in any transaction in any security which falls in the analyst's area of primary analytical responsibility. This clause shall, however, not be applicable on investment in securities through collective investment schemes. | Chapter III; 12-2-(l)
- (17) PACRA has established policies and procedure governing investments and trading in securities by its employees and for monitoring the same to prevent insider trading, market manipulation or any other market abuse | Chapter III; 11-B-(g)

Monitoring and review

- (18) PACRA monitors all the outstanding ratings continuously and any potential change therein due to any event associated with the issuer, the security arrangement, the industry etc., is disseminated to the market, immediately and in effective manner, after appropriate consultation with the entity/issuer; | Chapter III | 18-(a)
- (19) PACRA reviews all the outstanding ratings on semi-annual basis or as and when required by any creditor or upon the occurrence of such an event which requires to do so; | Chapter III | 18-(b)
- (20) PACRA initiates immediate review of the outstanding rating upon becoming aware of any information that may reasonably be expected to result in downgrading of the rating; | Chapter III | 18-(c)
- (21) PACRA engages with the issuer and the debt securities trustee, to remain updated on all information pertaining to the rating of the entity/instrument; | Chapter III | 18-(d)

Probability of Default

(22) PACRA's Rating Scale reflects the expectation of credit risk. The highest rating has the lowest relative likelihood of default (i.e, probability). PACRA's transition studies capture the historical performance behavior of a specific rating notch. Transition behavior of the assigned rating can be obtained from PACRA's Transition Study available at our website. (www.pacra.com). However, actual transition of rating may not follow the pattern observed in the past | Chapter III | 14-(F-VII)

Proprietary Information

(23) All information contained herein is considered proprietary by PACRA. Hence, none of the information in this document can be copied or, otherwise reproduced, stored or disseminated in whole or in part in any form or by any means whatsoever by any person without PACRA's prior written consent