

# Press Release

## VIS Reaffirms Entity Ratings of Primus Leasing Limited

Karachi, November 12, 2024: VIS Credit Rating Company Limited (VIS) has reaffirmed the entity ratings of Primus Leasing Limited ('PLL' or the 'NBFC') at 'A+/A1' (Single A Plus/A One). Long-term rating of 'A+' denotes good credit quality; Protection factors are adequate. Risk factors may vary with possible changes in the economy. Short-term rating of "A1" denotes strong likelihood of timely repayment of short-term obligations with excellent liquidity factors. Outlook on the assigned rating is 'Stable'. The previous rating action was announced on October 31, 2023.

The assigned ratings derive strength from the strong sponsor support of Pak Brunei Investment Company (rated at 'AA+/A-1+' by VIS), sound asset quality indicators with negligible infection, improvement in efficiency resulting in overall enhancement of profitability metrics. The overall lease portfolio exhibits diversification in terms of sectoral exposure. PLL also has a service level agreement in place with the holding company for provision of all support functions, particularly risk management and internal audit, which reflects positively on the ratings. The ratings derive further comfort from implicit financial support extended by the holding company with enhancement of short-term interest-bearing funding line to support the NBFC's growth plans. In addition, PLL has access to commercial borrowings to fund the growth momentum. Moreover, an arrangement for the transfer/sale of loan/ lease rental receivables to the holding company is also available to support liquidity. The ratings also factor in the sound governance levels supported by presence of two independent directors on the Board, adequate board level committees in place and experienced management team.

With the improving economic conditions, portfolio growth while maintaining the asset quality will remain imperative for ratings going forward. Materialization of growth targets will also be an important ratings consideration.

For further information on this ratings announcement, please contact at 021-35311861-64 or email at [info@vis.com.pk](mailto:info@vis.com.pk).

Applicable Rating Criteria: Non-Bank Financial Companies

<https://docs.vis.com.pk/Methodologies%202024/NBFCs202003.pdf>

VIS Issue/Issuer Rating Scale

<https://docs.vis.com.pk/docs/VISRatingScales.pdf>