

InfraZamin and HBL facilitates Multinet for greater digital reach and transmission across Pakistan

HBL will provide Multinet with 7-year long-term funding of PKR 2.1 billion (US\$10.1 million) for its 'Digital Infrastructure Facility' backed by a PKR 1.57 billion (US\$7.6 million) credit risk guarantee by InfraZamin Pakistan to bolster fibre optic network for greater digital reach and transmission across Pakistan.



Khoo Boo Hock, Chairman - Infrazamin (sitting 1st from left), Adnan Asdar, CEO - Multinet (sitting 2nd from left), Maheen Rahman, CEO - Infrazamin (sitting 3rd from left) Aamir Irshad, Head Corporate, Commercial & Investment Banking Group - HBL (sitting 4th from left) and Sarah Mooney, British Deputy High Commissioner (sitting 5th from left) and other senior members from respective organizations were also present at the occasion.

Karachi, Pakistan – 18 August 2022: InfraZamin Pakistan's partial credit risk guarantee cover of PKR 1,575 million (US\$7.6 million) on the Digital Infrastructure Facility will effectively de-risk the majority of credit risks of this project expansion. This is InfraZamin's first transaction in Pakistan and paves the way forward for deeper market development via credit guarantees.

HBL will facilitate Multinet to access 7-Year long-term funding in expanding their fibre optic network to under-served cities and populations, enable a wider reach for internet access via fibre for Small and Medium Enterprises and reduce the cost of carrying broadband traffic from one city to the other thereby improving cost-effective data and broadband penetration in Pakistan.

In addition to these positive developmental impacts, the project is also expected to create additional jobs of which 20% will be allocated specifically to women. Multinet has also chosen to adopt best practices in Health and Safety standards and will work on a long-term basis with an independent Health and Safety advisor to ensure worker safety and protection during network rollout. The company will continue to engage with InfraZamin to ensure continued capacity building and training in this area.

The project also envisages improved corporate governance, disclosure and transparency standards for Multinet which is a welcome step towards better governance standards in private unlisted companies.

Commenting on the occasion, Aamir Irshad, Head Corporate, Commercial & Investment Banking Group – HBL, said, “HBL is a strong advocate for technological advancements and has shown its continued support for the development of digital infrastructure by extending a Infrazamin credit guarantee backed loan facility of PKR 2.1 billion to Multinet. We believe this facility will go a long way in augmenting internet and data access to second and third tier cities of Pakistan along with improving the capacity and quality of internet for Mobile Network Operators, Internet Service Providers and SMEs.”

Commenting on the occasion, Maheen Rahman, CEO - InfraZamin, said, “The transaction is one step further towards mobilising investments from the private sector for boosting economic growth and covering the infrastructure gap in frontier markets. We are grateful to HBL Bank for their vision and support throughout this transaction process and look forward to seeing Multinet achieve their business expansion goals. This project caters to Pakistan’s dynamic and growing digital sector and we are happy to lend our support towards realising Pakistan’s vision towards greater digital access and inclusion.”

Commenting on the occasion, Adnan Asder, CEO - Multinet, said, “IZP credit guarantee facility played an instrumental role in obtaining PKR 2,100 mln long-term loan facility from Habib Bank Limited. The said funding will assist Multinet in doubling its data centres capacity, enhancing long-haul network transmission capacity, expanding metro footprint for tower fiberization and meeting SMEs ICT services requirements. This transaction will help Multinet in achieving its strategic goals by expanding the telecom infrastructure in the country. This would lead to enhancement of state-of-the-art facilities of fiber infrastructure to the customers and supporting other stakeholders for 5G inclusion in Pakistan. We are appreciative of InfraZamin for extending their support along with HBL Bank who share a similar vision for growth of the digital sector in Pakistan”