

INITIAL CREDIT RATING REPORT OPU AGRO FOOD PRODUCTS

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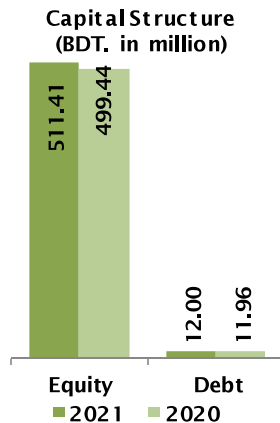


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Key Snapshot:

BDT. in million		
Particulars	2021	2020
Revenue	450.52	400.56
EBIT	25.30	17.21
Net Profit	24.04	16.35
Total Assets	523.41	511.41
Total Equity	511.41	499.44
Total debt	12.00	11.96
Net Profit Margin (%)	5.3%	4.1%
CCC (Days)	112	115



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 2	Stable	27 December 2022	26 December 2023

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

RATING RATIONALE

WCRCL has assigned 'WCRSE 2' (pronounced as WASO Credit Rating Small Enterprise Two) rating under the SME Rating to Opu Agro Food Products (hereinafter referred as "OAFP" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Owned business premises and storage facility
- Good business network
- Good interest coverage position
- Low levered capital structure

However, the above rating has been moderated to some extent due to some factors like:

- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- Medium disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to high level of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that OAFP will be able to maintain its good fundamentals in the foreseeable future.