

Report Contents:

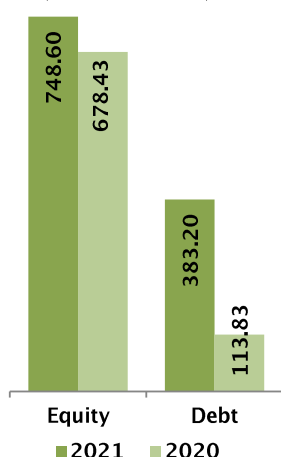
Particulars	Page
Rating Rationale	1
Business Management	2
Business Analysis	2
Financial Position Analysis	4
Banking Relationship	5
Risk Factor Analysis	5
Rating Observation	6

Key Snapshot:

BDT. in million

Particulars	FY21	FY20
Revenue	943.09	871.43
EBIT	178.64	154.47
Net Profit	110.17	100.75
Total Assets	1,131.80	792.26
Total Equity	748.60	678.43
Total debt	383.20	113.83
Net Profit Margin (%)	11.7%	11.6%
CCC (Days)	270.50	251.21
ICR (X)	8.40	29.67

Capital Structure
(BDT. in million)



Analysts:

Md. Akter Hossain
akter@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com

SME Rating	WCRSE/WCRE	Outlook	Date of Declaration	Date of Expiration
	WCRME 3	Stable	27 December 2022	26 December 2023

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

Financial Based on- Audited financial statements of 30th June, 2020 & 2021.

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

RATING RATIONALE

WCRCL has assigned 'WCRME 3' (pronounced as WASO Credit Rating Medium Enterprise Three) rating under the ME Rating to Peoples Poultry And Hatchery Limited (hereinafter referred to as 'PPHL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above ratings have been assigned based on the fundamentals of the company which include experienced and skilled management, owned factory premises, good liquidity position, satisfactory banking relationship, equipped with sufficient power backup, comfortable security arrangement, have transportation facility & good infrastructural arrangement. However, the above factors are constrained to some extent by average disclosure in the financial statements, tight liquidity position with long cash conversion cycle, no insurance coverage for the inventory in stock, vulnerability in raw- materials price in the local and international market may impact profitability most transactions are in credit & no insurance coverage.

The SME rating implies that the company is adjudged to above average level of credit worthiness in relation to other small enterprises.

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