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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	12 December 2023	11 December 2024

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

RATING RATIONALE

WCRCL has upgraded 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Abdullah Food Industries (hereinafter referred as "AFI" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

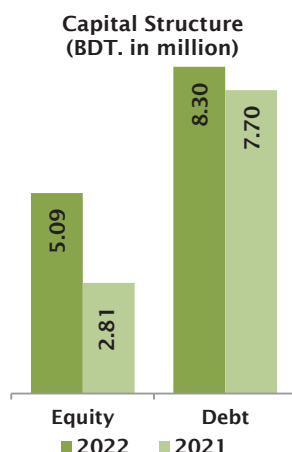
The above rating has been reaffirmed based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Good business network
- Good Profitability margin
- Satisfactory banking relationship
- Good mortgage security coverage against loan

Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	19.00	17.00
EBIT	2.12	1.42
Net Profit	2.10	1.40
Total Assets	13.39	10.51
Total Equity	5.09	2.81
Debt	8.30	7.70
Net Profit Margin (%)	11.1	8.2
CCC (Days)	202	187



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

- Low disclosure in the financial statements
- Highly levered capital structure
- Tight liquidity position considering long cash conversion cycle
- Manual accounting system

The SME rating implies that the enterprise has above average credit quality.

Analysts:

Mahmud Hasan
 roin@wasocreditrating.com

Md. Akter Hossain
 akter@wasocreditrating.com

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

This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy