

8th SURVEILLANCE CREDIT RATING REPORT
GAZIPUR FEEDS LIMITED

Ref. no.: CRA/2023/629



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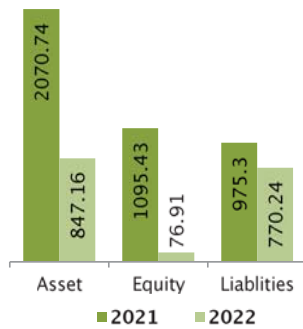
| Entity Rating | Long Term | Short Term | Outlook | Date of Declaration | Date of Expiration |
|---------------|-----------|------------|---------|---------------------|--------------------|
| | A- | ST 3 | Stable | 08 August 2023 | 07 August 2024 |

Key Snapshot:

Tk. in million

| Particulars | 2021 | 2022 |
|-----------------------|--------|--------|
| Revenue | 3072.7 | 640.77 |
| EBIT | 103.30 | 21.39 |
| Net Profit | 40.51 | 3.05 |
| Total Assets | 2070.7 | 847.16 |
| Total Equity | 1095.4 | 76.91 |
| Total Liabilities | 975.30 | 770.24 |
| Net Profit Margin (%) | 1.32 | 0.48 |
| Current Ratio (X) | 2.13 | 0.97 |
| Debt to Equity (X) | 0.89 | 1.00 |

Financial Comparison
(Tk. In Million)



Analysts:

Monira Islam
monira@wasocreditrating.com

Maharan Nasrin
maharan@wasocreditrating.com

Tk. In million

| Bank Name | Mode of Investment | Sanction Amount | Outstanding as on 31.07.2023 |
|-------------------------------|--------------------|-----------------|------------------------------|
| Al Arafah Islami Bank Limited | L/C, Bills | 600.00 | 159.17 |
| | Bai-Murabaha-TR | (450.00) | 576.91 |
| | Baim Stimulus | 10.00 | 5.93 |
| IDLC Finance Limited | BG | 0.20 | 0.20 |
| | Term loan | 30.00 | 11.25 |
| | Short Term loan | 16.50 | 11.73 |

Financial Based on- Audited financial statement on 30 June 2022, 2021, and 2020.

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

RATING RATIONALE

WCRCL has reaffirmed A- (pronounced Single A Minus) rating for the Long Term and ST 3 (pronounced Short Term Three) rating for Short Term to 'Gazipur Feeds Limited' (hereinafter referred to as 'GFL' or 'The company'). WCRCL has also assigned blr ST 3 (pronounced as Bank Loan Rating Short Term Three) rating to aggregate Short Term Limit of Tk. 735.30 million based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above ratings have been assigned based on the fundamentals of the company which experienced and proactive management, good business network, secured with insurance coverage, low levered concern, and increasing business trend. However, the above factors are constrained to some extent by followed moderate disclosure in the financial statements, stressed liquidity position with long cash conversion cycle, severe price volatility, and dependency on agents to procure goods.

The long term rating implies that the entity has moderately good credit quality. And the short term rating implies that the company has average ability to meet short term financial commitments.

WCRCL also viewed the company with "Stable" outlook and believes that GFL 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.