

1st SURVEILLANCE CREDIT RATING REPORT
ADIB AGRO FARM



Ref. no.: CRAR- 15412/2024

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	25 February 2024	24 February 2025

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

RATING RATIONALE

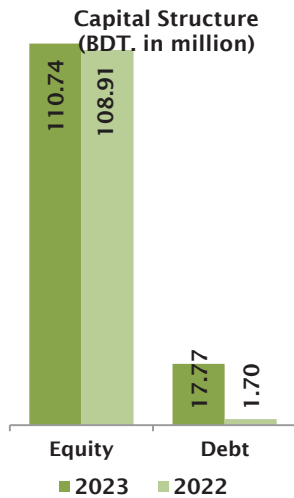
WCRCL has reaffirmed ‘WCRSME3’ (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Adib Agro Farm (hereinafter referred as “AAF” or “The Enterprise”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

Key Snapshot:

Particulars	BDT. in million	
	2023	2022
Revenue	60.62	55.11
EBIT	12.82	9.89
Net Profit	11.42	9.40
Total Assets	128.52	110.61
Total Equity	110.74	108.91
Debt	17.77	1.70
Net Profit Margin (%)	18.8	17.1
CCC (Days)	444	433
ICR (X)	14.97	n/a

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

- Experienced and skilled management
- Good business network
- Owned business
- Low levered capital structure
- Good interest coverage position
- Good profitability margin



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

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- Access over limit
- Manual accounting system

The SME rating implies that the enterprise is adjudged to above average credit quality.

WCRCL also viewed the enterprise with “Stable” outlook and believes that AAF 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.

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