

Key Particulars of the QIO

Ticker	AOPLC
Issue Date of Prospectus	Oct 23, 2023
Subscription Open	Nov 27, 2023
Subscription Close	Dec 03, 2023
Minimum Subscription Amount	BDT 200,000 or its multiples
Maximum Subscription Amount	BDT 2,500,000 (5% of total issue)
Authorized Capital (Tk)	BDT 1,000,000,000
Pre-QIO paid-up Capital (BDT)	383,000,000
QIO size in BDT	BDT 50,000,000
Post IPO paid-up Capital (BDT)	BDT 433,000,000
No. of Pre-QIO Share	38,300,000
No. of QIO Share (QIO)	5,000,000
No. of Post-QIO Share	43,300,000
No. of Free Float Shares on Debut	5,000,000
Annualized EPS (9M'2022)	1.49
NAVPs (Mar 31, 2022)	14.68
5 years Weighted Average EPS	1.34

Name of Sponsors and Directors and Key Personnel

Name	Position	Post IPO %
Mohammad Ahmed Khan	Chairman	5.78%
Mohammad Azhar Khan	MD	16.56%
Din Mohammad Shopon	Director	2.23%
Md. Shahidul Islam	Sponsor	0.05%
Md. Iqbal Hossain	Director	2.60%
Begum Hena Khan	Director	6.95%
Mahbubul Karim	Director	2.31%
Total		36.47%

Use of the Proceeds of IPO

Particulars	Amount (BDT)	%
Construction of Factory Building Expansion unit	8,412,500	16.83%
Acquisition of Plant and Machinery	9,178,500	18.36%
Working Capital 30,000,000	30,000,000	60.00%
QIO Expenses	2,409,000	4.82%
Total	50,000,000	100.00%

Company Overview

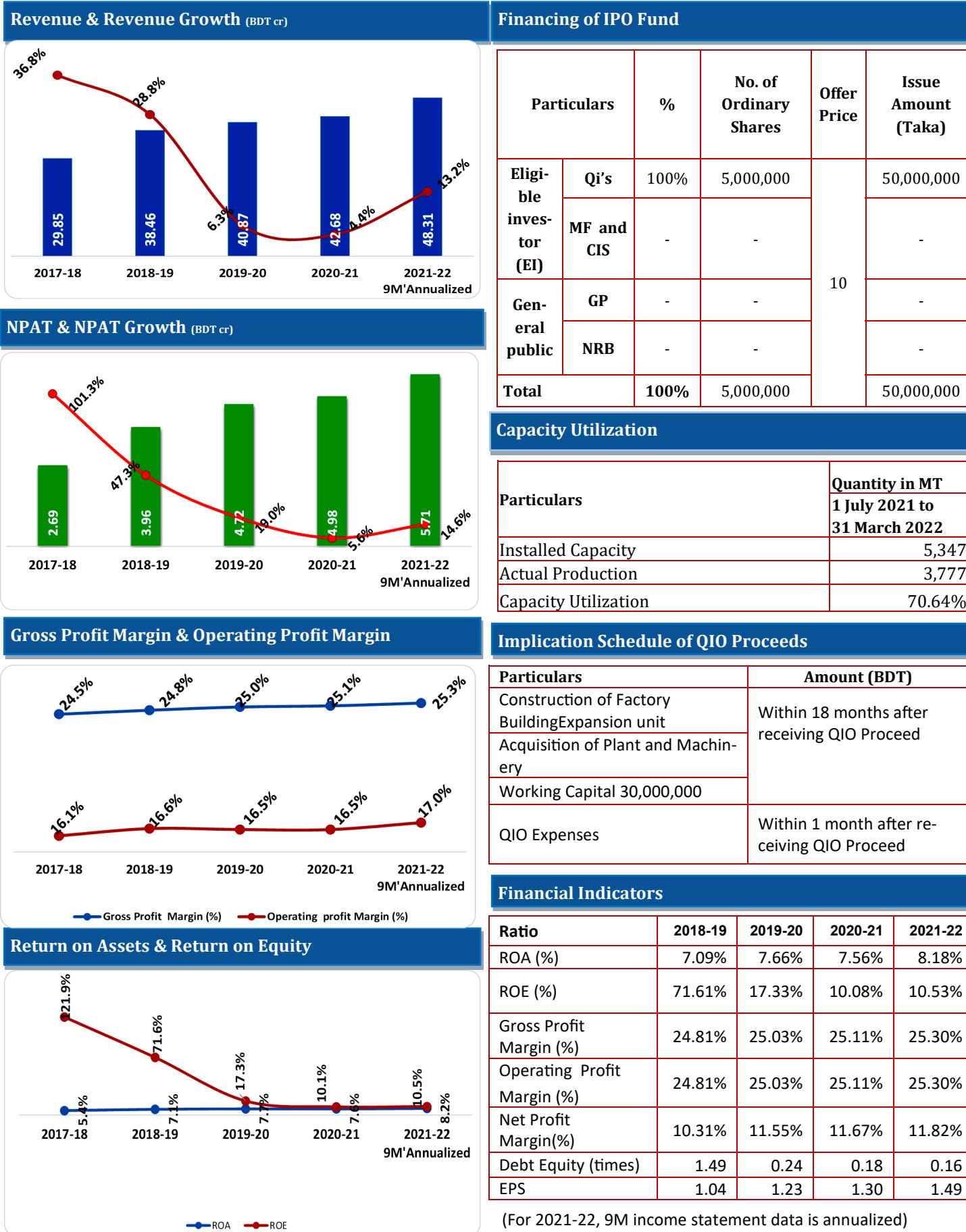
Agro Organica is a publicly listed company in Bangladesh, duly registered with the Registrar of Joint Stock Companies (RJSC) under the Government of Bangladesh. Established in 2015, the company is engaged in various facets of agro-business, encompassing agro contract farming, trading, processing, and manufacturing to cater to both local and global markets. Operating from a well-organized factory located in the BSCIC industrial area in the Sherpur district of the Mymensingh Division, Agro Organica also boasts a modern central warehouse in Dhaka. The corporate head office is situated at 65 Elephant Road, Dhaka, and the company is supported by a workforce of approximately 200 individuals dedicated to serving the global community.

Major Products & Services Of the company:

AGRO ORGANICA PLC 100% manufacturing and marketing Agro-based products. The principal activities of the company are manufacturing and marketing Agro-based products. The company is specialized in manufacturing and marketing Aromatic Rice, Boiled Rice, Per Boiled Rice, Double Boiled Rice, Pickle, Jam & Jelly, Saffron, Isabgul, Ghee, Tea & spices in different categories etc. The company conducts its marketing activities all over Bangladesh.

Revenue Contribution

Particulars	Amount (BDT) 1 Jul, 2021 31 Mar ,2022	%
Rice	230,457,355	64%
Pickles	84,240,513	23%
Jelly	30,576,777	8%
Spices	5,946,164	2%
Ghee	4,877,343	1%
Isabgol	3,165,120	1%
Saffron	3,039,638	1%
Total Sales (Nett Off Vat)	362,302,910	100%



(For 2021-22, 9M income statement data is annualized)

Lock in of Shares

Period	No. of Lock In Share	% of lock in Share
1 year Lock In	22,507,078	51.98%
2 year Lock In	15,792,922	36.47%
Total	38,300,000	88.45%

Key Observations

- Post IPO total shareholding percentage for the sponsors and directors of Agro Organica Limited would stand at **36.47%**.
- In 2021-22 period 87% of the revenue came from selling of rice products and pickle.
- The Revenue and NPAT of the company increased by 13.2% and 14.6% respectively on YoY basis.
- During the last five years ROA of the company is hovering between 5-8% where as the ROE is in declining trend since 2017-18 period mainly due to increase in equity over the period.
- The YoY Gross Profit Margin and the NPAT Margin is almost flat and hovering around 15% and 17% over the last Five years.
- As of Mar'22, contrast to the equity, the company had a comparatively lower debt and its DE ratio was 0.16. However, the DE ratio was around 1.49 during 2018-19 period.
- At present there are big players in the food industry and the market is already saturated . For example PRAN, City Group, Meghna Group, Square Food & beverage etc . already offering similar products. Being such small company compared to the competitors it would be hard for the company for grabbing new market share.
- Agro Organica does not have any Holding or Subsidiary Company.

PE relative to other companies

Market PE	14.39
Sectoral Avg PE (Food)	19.07
FUWANGFOOD	-57.72
AMCL(PRAN)	36.96
INDEXAGRO	25.39

Dividends Declaration

Year	2021- Mar 2022	2020 -21	2019 -20	2018-19
Cash Dividend(%)	-	-	-	-
Stock Dividend	-	-	-	33,00,000

Price relative to different prices

Price	10	15	20	25	30	35
PE	7.46	11.19	14.93	18.66	22.39	26.12

Pe is calculated based on the 5 years weighted average EPS

Other IPO Details

Issue Date of Prospectus: October 23, 2023

Year End: June

Issue Managers: Shajalal Equity Management Ltd

Auditor: Fames & R Chrterd Accountant

Disclaimer

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