



DataPro

CORPORATE RATING REPORT

ZEENAB FOODS LIMITED

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June, 2025

ZEENAB FOODS LIMITED

Long-Term Rating:

A⁺

Short Term Rating: A1

Previous Rating: A

Rating Outlook: Stable

Trend: Up

Currency: Naira

Date Issued: 4 June, 2025

Valid Till: 3 June, 2026

Reference:

Abiodun Adeseyoju, FCA.
Abimbola Adeseyoju
Oladele Adeove

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EXECUTIVE SUMMARY

	2024 N'000	2023 N'000	2022 N'000	2021 N'000	2020 N'000
Turnover	36,314,115	21,905,031	17,443,618	13,239,160	7,700,400
Profit Before Tax	4,990,545	3,867,555	2,525,104	3,085,422	1,943,968
Equity	15,604,918	10,833,448	7,384,873	7,124,444	4,327,578
Non-Current Asset	13,518,853	9,968,422	8,303,615	8,529,116	3,536,658
Total Asset	22,869,359	13,873,327	10,691,509	10,065,242	4,891,579
Non-Current Liability	-	-	990,000	1,800,000	-

Rating Explanation

The Short-Term Rating of **A1** indicates **Good Credit Quality** and satisfactory capacity for timely payment of financial commitments.

The Long-Term Rating of **A⁺** indicates **Low Risk**. It shows Very Good Financial Strength, Operating Performance and Business Profile when compared to the standard established by **DataPro**. This Company, in our opinion, has the strong ability to meet its ongoing obligations.

RATING SYNOPSIS

The Rating took into consideration all relevant qualitative and quantitative factors to arrive at the assigned risk indicator.

The qualitative information used were based on industry and market intelligence including public information. The quantitative information were obtained from the Company's Audited and Management Accounts.

The risk factors were assessed using the Company's Capitalization, Earnings Profile, Liquidity, Corporate Governance, Regulatory Compliance and Sustainability of its current healthy profile in the medium to long term period.

Overall, the following were observed:

Positive Rating Factors:

- Strong Liquidity Position
- Diversified Earnings Portfolio
- Experienced Management Team

Negative Rating Factors:

- Macroeconomic Constraints

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BACKGROUND

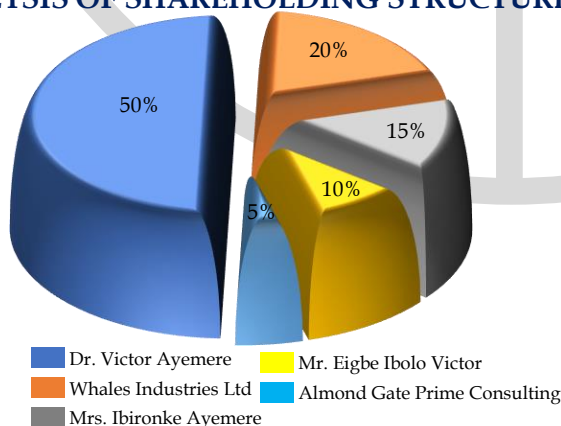
Zeenab Foods Limited ("The Company") was incorporated on September 5th, 2011. It commenced operations on September 30th, 2011, specializing in Food Processing and Agro-commodity trading for local and international markets.

The Company's operations began in Benin, Edo State, with an initial focus on palm oil production. In 2013, it expanded its product portfolio to include vegetable and soybean oil. Over time, it further diversified its offerings to include grains, edible seeds, and other exportable cash crops. It extended its presence across Nigeria, establishing its footprint in key commercial hubs such as Lagos, Kano, Abuja, Aba, Onitsha and Port Harcourt. In 2019, the Company phased out edible oil production to concentrate on grain milling and export operations.

The Company currently operates through three primary business segments namely; Rice Milling, Food Supply to the United Nations World Food Programme (UN WFP), and the export of Agricultural commodities. It processes and packages a wide variety of products, including *Rice, Millet, Beans, Sorghum, Dried Split Ginger, Sesame Seeds, and Cassia Tora*. Its integrated business model spans the entire agricultural value chain, from sourcing at the farm gate to processing and distribution – serving both local and global markets.

In 2022, the Company received a license from the Federal Government of Nigeria to establish and operate the *Nigerian Export Trade House (NETH)* in China. Officially commissioned in 2023, the *NETH* serves as a platform to promote Non-oil Exports. The Company aims to expand its export activities through the *NETH* to additional provinces in China, as well as to the United States and the United Arab Emirates. To support this initiative, a liaison office was inaugurated in Lagos on April 17, 2024, to oversee export operations through the Apapa Seaport.

ANALYSIS OF SHAREHOLDING STRUCTURE



Source: Zeenab Foods Limited

As at June 2024, the Company operated a rice milling facility with an installed capacity of 120 metric tons per day and an average annual utilization rate of 84%. Plans are underway to double this capacity by 2025 as part of its strategic effort to increase its market share in Nigeria's rice sector.

The Company is headquartered in Abuja, with branches situated in Kano, Lagos, and Edo States. It has a workforce of 120.

As at 31st December 2024, the Company's major shareholder was **Dr. Victor Ayemere** with a 50% stake. Other significant shareholders with shareholdings exceeding 10% included **Whales Industries Limited** and **Mrs. Ibironke Ayemere**.

DIRECTORS' PROFILE

The following persons served as Directors during the year under review; **Prof Emmanuel Dele Olaolu – Chairman, Dr. Victor O. Ayemere – Chief Executive Officer, Mrs. Fatima Wujat Bissallah, Mrs. Ibironke Ayemere, Mr. Bolaji Richard Audu, Engr. Daniel Igbinoba, Jingjing Yang** and **Wang Yike**

The Directors' profile is as follows:

- 1. Name:** Professor Emmanuel Dele Olaolu
Position: Chairman
Profession: Business Management & Finance
Year of Experience: 41 years
Education:
 - B.Sc. - Banking & Finance, University of Lagos
 - MBA - University of Lagos
 - MBA - Lagos State University, Ojo
 - PhD - Babcock University.
 - University of London, School of Oriental and African Studies (SOAS), United Kingdom**Job Experience:**
 - Fellow, Chartered Institute of Bankers of Nigeria (FCIB)
 - Board Chairman, Zeenab Foods Limited, Abuja.
 - Baze University, Abuja.
 - Wema Bank Plc
 - Financial Institutions Training Centre (FITC)
 - Lagos Business School**Board Membership:** 2024
- 2. Name:** Dr. Victor O. Ayemere (Ph.D.)
Position: Managing Director/CEO
Profession: Accountancy, Banking and Entrepreneurship
Year of Experience: 26 years
Education:
 - B.Sc. - University of Port Harcourt
 - M.Sc. - Baze University, Abuja
 - PhD. - Baze University, Abuja**Job Experience:**
 - Guaranty Trust Bank
 - Branch Manager, Bond Bank Plc
 - Central Bank of Nigeria
 - Benin Oil Palm Cluster Group
 - Deputy National President, Cassia Tora Producers, Processors, and Exporters Associations of Nigeria.**Board Membership:** 2019

3. **Name:** Mrs. Fatima Bissallah Wujat
Position: Executive Director
Profession: Business Management and Finance
Year of Experience: 16 years
Education:
 - B.Sc. - Ahmadu Bello University, Zaria
 - M.Sc. - Bayero, University Kano, Nigeria.**Job Experience:**
 - Zenith Bank Plc
 - StabicIBTC Bank Plc
 - Yarmanya Farms & Enterprises Kaduna, Nigeria
 - Zeenab Foods Limited**Board Membership:** Since 2024
4. **Name:** Mrs. Ibironke Ayemere
Position: Executive Director
Profession: Finance, Branding & Communication
Year of Experience: 21 years
Education:
 - B.Sc. - University of Lagos
 - M.Sc. - University of Lagos.**Job Experience:**
 - Government and Private Project: Worked on several projects in Abuja, Lagos, Rivers, and Edo states.**Board Membership:** Since 2024
5. **Name:** Mr. Bolaji R. Audu
Position: Executive Director
Profession: Banking & Marketing
Year of Experience: 27 years
Education:
 - B.Sc. - University of Ilorin, Kwara State
 - M.Sc. - Lagos State University Lagos.**Job Experience:**
 - Lagos State Board of Internal Revenue
 - Legacy Magnum Trust Bank
 - Sterling Bank (formerly NAL Bank)**Board Membership:** Since 2024
6. **Name:** Engr. Daniel Igbinoba Doleyi
Position: Executive Director
Profession: Production Engineering
Year of Experience: 21 years
Education:
 - B.Sc. University of Benin, Edo state**Qualification**
 - OSHA-Manager from the Institute of Occupational Safety & Health Academy, USA.
 - Nigerian Institute of Safety Professionals.
 - Nigerian Institute of Management**Board Membership:** Since 2024

7. **Name:** Yang JingJing
Position: Non-Executive Director
Profession: Business Consultant
Year of Experience: 21 years
Education: • Peking University- Guanghua School of Management
Job Experience: • China Everbright Group
Board Membership: Since 2024
8. **Name:** Wang Yike
Position: Independent Non-Executive Director
Profession: Business and Financial Advisory
Year of Experience: 33 years
Education: • B.Sc. - Shandong University School of Management, People's Republic China.
Job Experience: • He has worked in both public and private sectors, before setting up his consulting firm, providing business and financial advisory services.
Board Membership: Since 2024

SECTOR REVIEW

Nigeria continues to assert its position as a leading economic force in Africa, with a population exceeding 200 million and a rapidly developing Manufacturing Sector. In the fourth quarter of 2024, the Country's Gross Domestic Product (GDP) demonstrated a real-term growth of 3.84% year-on-year, an improvement over the 3.46% growth recorded in Q4 2023 and Q3 2024. This growth was largely driven by the Services Sector, which contributed 57.38% to aggregate GDP and expanded at a rate of 5.37%.

Nigeria has an arable land area of 34 million hectares: 6.5 million hectares for permanent crops, and 30.3 million hectares on meadows and pastures. The Country is a leader in various aspects of Agricultural production. Four sub-activities make up the Agricultural sector: Crop Production, Livestock, Forestry and Fishing.

The Agricultural sector in the fourth quarter of 2024 grew by 1.76% (year-on-year) in real terms. This reflected a decrease of 0.35% from the fourth quarter of 2023, and an increase of 0.61% from the third quarter of 2024 which recorded a growth rate of 1.14%. It grew on a quarter-on-quarter basis at 0.38%.

However, the Sector contributed 25.59% to overall GDP in real terms in Q4 2024, lower than the contribution in the fourth quarter of 2023 and lower than the third quarter of 2024 which stood at 26.11% and 28.65% respectively. The overall contribution in 2024 was 24.64% from 25.18% in 2023.

The Sector continues to face persistent challenges, including limited access to financing, resource constraints, supply shortages, outdated farming practices, and a lack of value-added activities. Nevertheless, efforts to address these issues are underway. Government policies have focused on the promotion of mechanized farming and transitioning toward a more Agro-allied economy. Notable initiatives include the Agriculture Promotion Policy, which succeeded the Agriculture Transformation Agenda in 2016, as well as the Nigeria Africa Trade and Investment Promotion Programme.

In January 2021, Nigeria signed the African Continental Free Trade Area (AfCFTA) Agreement, aimed at enhancing agricultural transformation across Africa by improving regional value chains and fostering investment in agricultural production. This agreement provides substantial growth opportunities for Nigeria's agriculture sector by granting access to larger regional markets.

Also, the Federal Ministry of Agriculture and Rural Development (FMARD) introduced the National Agricultural Technology and Innovation Policy (NATIP 2022-2027), a strategic initiative to modernize Nigeria's agricultural practices in response to shifting global food systems and supply chains.

Nigeria remains Africa's largest producer of rice, with an annual output of over 8 million metric tons of paddy. Despite this, the Country continues to face a rice supply deficit as consumption grows in line with population expansion.

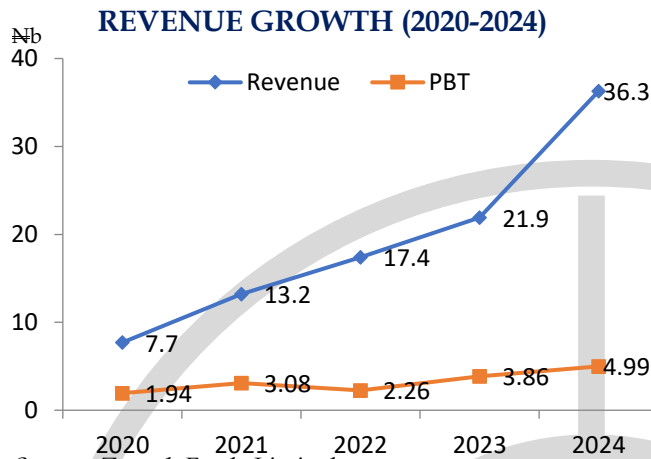
The 2024 Wet Season Agricultural Performance report revealed that Nigeria produced 9.13 million metric tons of rice, surpassing the 8.90 million metric tons produced in the 2023 wet season. However, the report also highlighted that over 350,000 hectares of arable land were lost to insecurity, as farmers were unable to access their farms for food production.

Despite ongoing Government support and interventions, there are concerns that Nigeria may experience a rice deficit of 2.18 million tons, valued at approximately N1.43 trillion (\$957.54 million) in 2025, primarily due to insufficient production levels.

The Agricultural sector, despite facing notable challenges, holds significant potential for growth and transformation. The Government's continued focus on policies that promote mechanization, investment in technology, and regional trade agreements, positions the sector for future expansion. The availability of arable land, coupled with supportive initiatives, offers substantial opportunities for both local and international stakeholders.

FINANCIAL PERFORMANCE

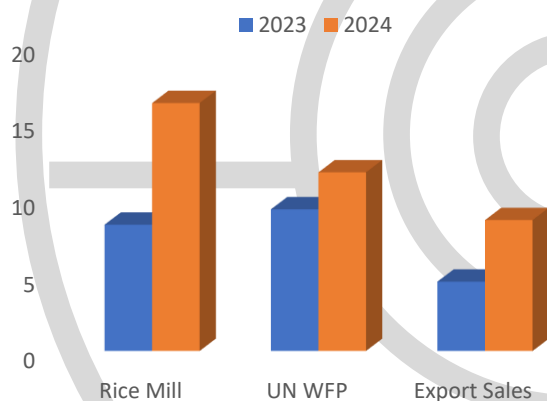
EARNINGS PROFILE



The Company's Revenue streams are aligned with its three core business segments, namely; Rice Milling, Food Supply to the United Nations World Food Programme (UN WFP) and Export Sales of Agro-commodities.

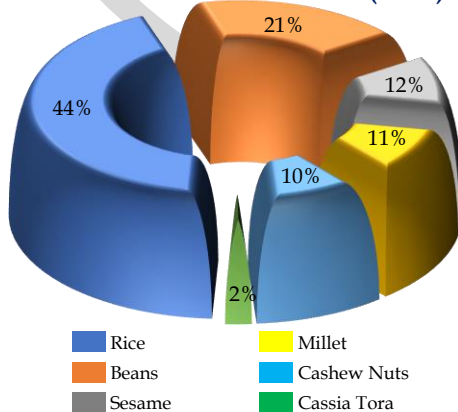
In the year 2024, the Rice Milling Segment remained the predominant contributor to Revenue. It grew by 98% and accounted for 44% of the Revenue. Other operating segments also recorded significant growth during the year. Income from the United Nations World Food Programme increased from ₦9.2b (Yr. 23) to ₦11.6b (Yr. 24), while Export Sales grew from ₦4.5b in the year 2023 to ₦8.5b in the year 2024.

DISTRIBUTION OF REVENUE BY SEGMENT



As a result of these shifts, Total Revenue grew by 66%, from ₦21.9b (Yr. 23) to ₦36.3b (Yr. 24).

REVENUE BY PRODUCT (2024)



An analysis of Revenue by product indicated that Rice remained the top-performing commodity. Other significant revenue-generating products included Beans, Millet, Sesame, Cassia Tora, and Cashew Nuts. Beans accounted for the second-highest share of Revenue. It amounted to ₦7.6b (Yr. 24) and represented 21% of the Revenue.

Geographically, Revenue was generated from Abuja and Kano, with Abuja sales constituting 68% of Total Earnings.

• PROFITABILITY

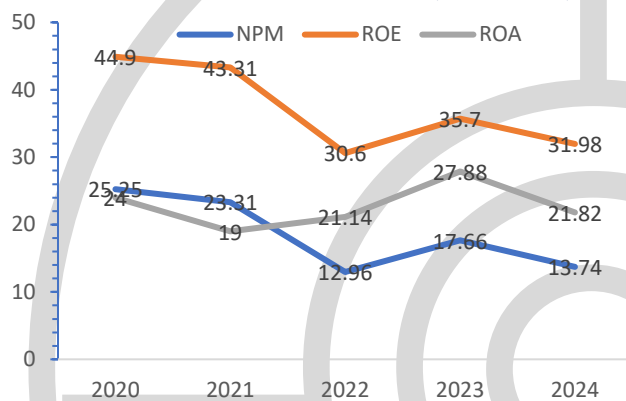
Item	2024	2023
Gross Profit	7,995,597	4,756,207
Exchange (Loss)/Gain	(395,117)	487,000
Operating Expenses	(2,609,935)	(1,375,651)
Profit Before Tax	4,990,545	3,867,556

Source: Zeenab Foods Limited

Raw materials used in production include paddy rice, unprocessed beans, millet, and sorghum. These are mostly sourced through aggregators and direct off-take agreements with farmers in the Northern region. In the year 2024, inputs were largely drawn from Gombe State.

Costs of Sales, including raw materials and direct factory overheads, increased by 65% in the year 2024. However, the rise in Revenue provided the needed cushion for the

PROFITABILITY TREND (2020-2024)



Source: Zeenab Foods Limited

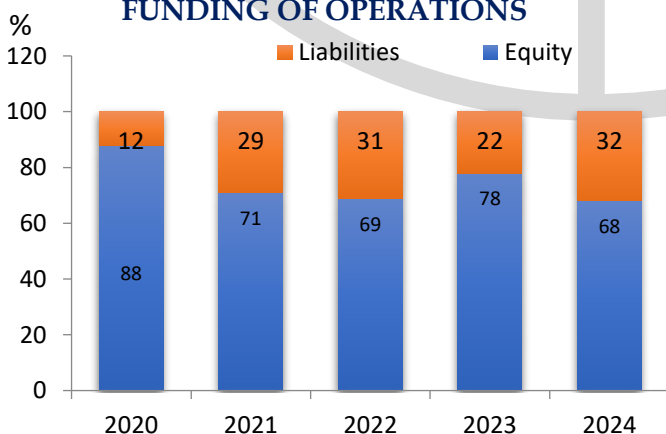
heightened Direct Costs. Consequently, Gross Profit grew from ₦4.8b (Yr. 23) to ₦8b (Yr. 24). Notwithstanding, Gross Profit Margin remained unchanged at 22% in both years 2023 and 2024.

The Company recorded an Exchange Loss of ₦395.1m (Yr. 24), against a Gain of ₦487m (Yr. 23). Administrative Expenses, Impairment Provision, and Finance totaled ₦2.6b (Yr. 24), rising from ₦1.4b in the preceding year.

The Company's profitability was impaired by the Exchange Loss and increased Operating Expenses recorded in the year. Therefore, Net Profit Margin declined from 18% (Yr. 23) to 14% (Yr. 24). Similarly, other Profitability indices such as Shareholders' Return and Return on Assets dipped in the year 2024.

• CAPITALIZATION

FUNDING OF OPERATIONS



Source: Zeenab Foods Limited

The Company enhanced its Capital base through an injection of ₦95m as additional Share Capital and ₦380m as Share Premium. This position was further strengthened by an upward trajectory in Retained Earnings.

Therefore, Total Equity grew by 44%, from ₦10.8b (Yr. 23), to ₦15.6b (Yr. 24).

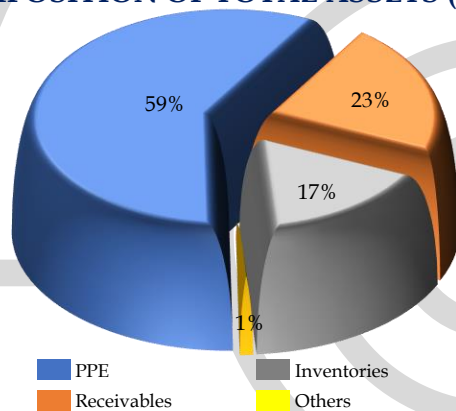
The Company relied significantly on Commercial Papers as a major source of short-term debt financing in the year 2024. These were Commercial Papers of ₦4.6b issued in Tranches A-D during the financial year. Consequently, Equity funding of operations declined from 78% to 68% in the years 2023 and 2024, respectively.

Following the Commercial Paper Issue in the year 2024, Total Liabilities stood at ₦7.3b (Yr. 24), against ₦3b (Yr.23). These were Current Liabilities with Interest Bearing and Non-Interest-Bearing components in the year 2024.

• ASSET UTILITY

The Company currently operates from its factory in *Abuja*, with branches in *Kano, Lagos, Aba, Onitsha and Port-Harcourt*. As at the year ended 31st December, 2024, it had an installed rice milling capacity of 120 metric tons (MT) per day. However, its capacity utilization rate was 80% as at the year end.

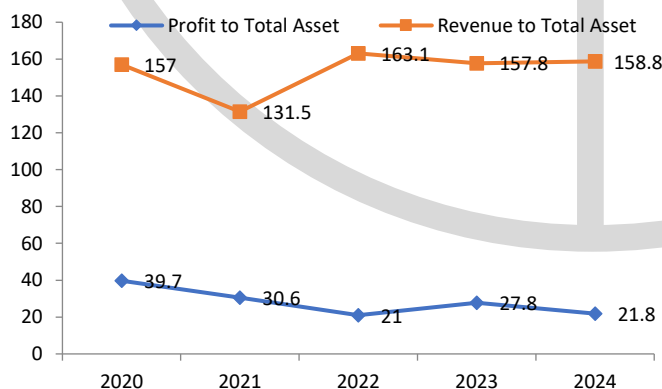
COMPOSITION OF TOTAL ASSETS (2024)



Source: Zeenab Foods Limited

In the year 2024, the Company's Assets were largely Property, Plants and Equipment (PPE). This Asset class constituted 59% of the Total Assets value. It grew by 37%, from ₦9.9b to ₦13.5b in the years 2023 and 2024 respectively. The rise was as a result of acquisitions to the tune of ₦4.1b made during the year, including Capital Work in Progress of ₦1b as well as Land & Building valued at ₦2.1b. These reflected the Company's efforts in expanding its milling capacity.

ASSET UTILIZATION TREND (2020-2024)



Source: Zeenab Foods Limited

Inventories, Cash and Receivables made up the Company's Current Assets in the year 2024. All categories recorded a significant rise, excluding Cash & Cash Equivalents which declined from ₦815.2m (Yr. 23) to ₦280.2m (Yr. 24).

In absolute value, Current Assets totaled ₦9.4b (Yr. 24), reflecting a 139% surge from the prior year's

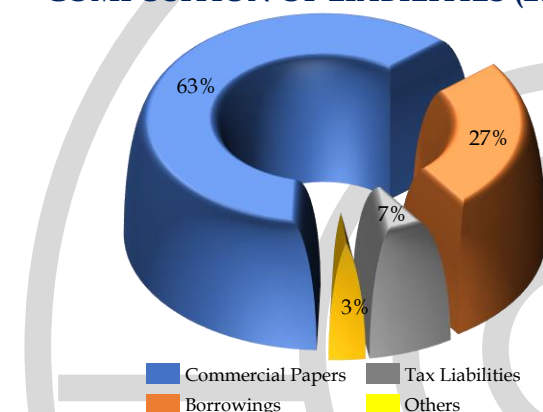
position of ₦3.9b. Consequently, Total Assets grew from ₦13.9b (Yr. 23) to ₦22.9b in the year 2024.

The Company's ability to effectively utilize its Assets in generating Revenue marginally increased from 158% (Yr. 23) to 159% (Yr. 24). However, its utilization efficiency measured in terms of Return on Assets decreased from 28% (Yr. 23) to 22% (Yr. 24). This was majorly attributed to the significant addition made to the Assets in the year.

• LIQUIDITY

The Company issued Commercial Papers (CP) in Tranches A-D for short-term financing. Aggregately, amount outstanding from CP issued amounted to ₦4.6b as at the year ended 31st December, 2024. This contributed significantly to the overall upswing in Total Liabilities, which grew by 139% in the financial year.

COMPOSITION OF LIABILITIES (2024)



Source: Zeenab Foods Limited

Repayment of outstanding Loans increased from ₦1.2b (Yr. 23) to ₦2.7b (Yr. 24). The Company also took on a Loan facility of ₦2.0b to facilitate export and local supply of Ginger, Cassia, Tora Seeds and other Agricultural Commodities. As at the reporting period 31st December 2024, the Loan had matured.

The Company's Liquid Assets provided sufficient coverage from its Current Obligations with a surplus of ₦2.1b (Yr. 24), against ₦0.8b (Yr. 23). Consequently, its Current Ratio recorded 129% (Yr. 24), marginally rising from 128% in the preceding year. This is well above the benchmark of 100%, indicating a strong liquidity position.

CORPORATE GOVERNANCE & RISK MANAGEMENT

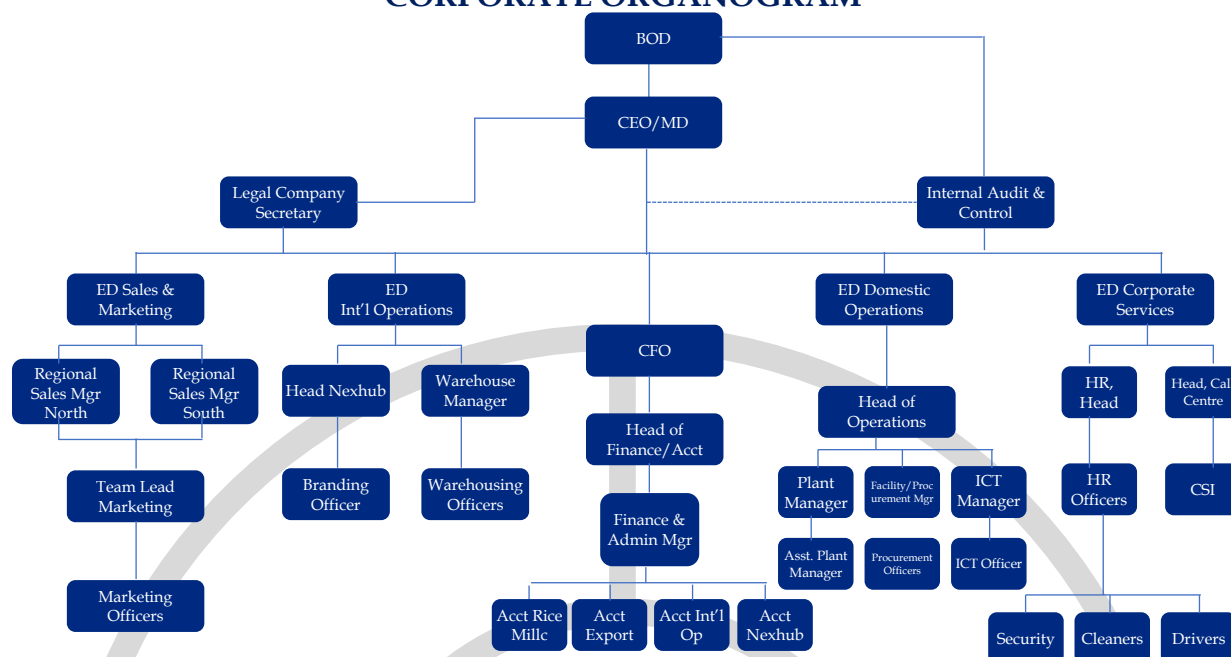
The Board comprised five (5) Executive Directors and three (3) Non-Executive Directors, including the Chairman.

The Board currently comprises three (3) Committees, namely:

- Governance, Remuneration, Establishment and General-Purpose Committee.
- Statutory Audit Committee
- Strategy, Investment, Finance Committee

The Corporate Organogram of the Company is as presented:

CORPORATE ORGANOGRAM



Source: Zeenab Foods Limited

The Company recognizes its exposure to Price Volatility, Supply & Demand, Quality & Contamination, Financial & Credit, Regulatory & Compliance, Currency Exchange, as well as Market Access Risks. In line with the information provided, the Company has in place measures to deal with various risks.

REGULATORY ENVIRONMENT

The products of the Company are subject to the regulation of the *National Agency for Food and Drug Administration (NAFDAC)*, the *Manufacturing Association of Nigeria (MAN)*, and the *Standard Organization of Nigeria (SON)*.

RISK FACTORS

In the course of our review of the Company documents, we observed the following risk factors:

- LIQUIDITY RISK**

This is the risk arising from inability to meet obligations as they fall due.

Based on our review, The Company's Liquid Assets provided adequate coverage for its Current Liabilities. As at the year ended 31st December, 2024, Current Ratio stood at 129%.

- INTEREST RATE RISK**

This is the risk of loss to income arising from adverse movements in Interest Rates.

The liabilities of the Company are sourced from providers which require Interest charge. The inability of the Company to attract funds at favorable terms may affect Earnings, especially where the burden could not be passed to the customers.

• CREDIT RISK

This is the risk arising from the inability of counterparties to honor their obligations as and when due.

Based on our review, the Company's Total Receivables for the year 2024 accounted for 23% of its Total Assets. Therefore, the inability of its trading partners to honor their obligations as and when due may have adverse effect on the Company's Profitability.

• REPUTATIONAL RISK

This is the risk that the Company will be exposed to reputational damage of its brand which may lead to loss of business.

Based on our review, there was no negative public information or adverse press report against the Company or its Board of Directors.

FUTURE OUTLOOK

The expansion plan of the Company involves the acquisition and execution of the following projects:

- Expansion of the rice mill from the present 120-ton capacity per day to 240-ton capacity per day.
- Expansion of the Zeenab China Office to two (2) more provinces within China to receive Agro commodity exported from Nigeria.
- Set up of Zeenab USA and UAE Offices to receive exportable Agro commodities
- Establish a new business product line in European countries, namely the United Kingdom and Russia, primarily to deal in Wheat, Cocoa, Cashew and Sheanuts.
- Set up business presence in Burkina-Faso and Ghana for effective distribution of Wheat to West African countries.

CONCLUSION

The Rating of the Company is supported by its Experienced Management Team, Good Liquidity and Diversified Income Sources.

Consequently, we assigned a Rating of "A+"

FINANCES

Financial Position as at

	Dec, 2024		Dec, 2023		Dec, 2022
	₦'000	Δ%	₦'000	Δ%	₦'000
Capital Employed					
Property, Plant and Equipment	13,485,090	35.70	9,937,208	17.22	8,477,094
Intangible Asset (Software)	33,763	8.17	31,214	(40.00)	52,022
Current Asset s	9,350,506		3,904,905		1,536,126
Current Liabilities	(7,264,441)	138.97	(3,039,879)	166.47	(1,140,798)
Non-Current Liabilities	-	0.00	-	(100.00)	(1,800,000)
Net Assets	15,604,918	44.04	10,833,448	52.06	7,124,444
Funds Employed					
Share Capital	100,000	1900.00	5,000	0.00	5,000
Share Premiun	380,000			(100.00)	2,000,000
Retained Earnings	15,124,918	39.68	10,828,448	111.52	5,119,444
	15,604,918	44.04	10,833,448	52.06	7,124,444
Revenue	36,314,115	65.78	21,905,031	25.58	17,443,618
Profit/Loss Before Tax	4,990,545	29.04	3,867,555	53.16	2,525,104
Profit After Tax	4,480,190	29.91	3,448,575	52.56	2,260,430
Total Comprehensive Income for the y	4,480,190	29.91	3,448,575	52.56	2,260,430

Signed: 
Name: Oladele Adeoye
Designation: Chief Rating Officer
Date: 4th June, 2025

For and on behalf of:
DataPro Limited
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By Marina Water Front
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USER GUIDE

DataPro's credit rating is an opinion of an issuer's/issues overall creditworthiness and its capacity to meet its financial commitment.

Our *short-term* ratings have a time horizon of less than 12 months in line with industry standards reflecting risk characteristics. The ratings place greater emphasis on the liquidity to meet financial commitment in a timely manner.

The long-term risk indicator is divided into 8 bands ranging from AAA through DD. Each band could be modified by + or -. With + representing slightly less risk than -. Such suffixes are not added to the 'AAA' long-term rating category and to categories below 'CCC'. Or to short-term rating older than A1+.

LONG-TERM RATING

Investment Grade

Indicator	Meaning	Explanation
AAA	Lowest Risk.	(<i>Superior</i>) Assigned to companies which have superior financial strength, operating performances and profile when compared to the standards established by <i>DataPro Limited</i> . These companies, in our opinion, have a Excellent ability to meet their ongoing obligations.
AA	Lower Risk	(<i>Excellent</i>) Assigned to companies which have excellent financial strength, operating performance and profile when compared to the standards established by <i>DataPro Limited</i> . These companies, in our opinion, have a very strong ability to meet their ongoing obligations.
A	Low Risk	(<i>Very Good</i>) Assigned to companies which have very good financial strength, operating performance and profile when compared to the standards established by <i>DataPro Limited</i> . These companies, in our opinion, have a strong ability to meet their ongoing obligation.
BBB	Slight Risk	(<i>Fair</i>) Assigned to companies which have fair financial strength, operating performance and profile when compared to the standards established by <i>DataPro Limited</i> . These companies, in our opinion, have an ability to meet their

current obligations, but their financial strength is vulnerable to adverse changes in economic conditions.

Non-Investment Grade

Indicator	Meaning	Explanation
BB	Moderate Risk	<i>(Marginal)</i> Assigned to companies which have, marginal financial strength, operating performance and profile when compared to the standards established by <i>DataPro Limited</i> . These companies, in our opinion have an ability to meet their current obligation, but their financial strength is vulnerable to adverse changes in economic conditions.
B	High Risk	<i>(Weak)</i> Assigned to companies which have, weak financial strength, operating performance and profile when compared to the standard established by <i>DataPro Limited</i> . These companies, in our opinion have an ability to meet their current obligation, but their financial strength is vulnerable to adverse changes in economic conditions.
CCC	Higher Risk	<i>(Poor)</i> Assigned to companies, which have poor financial strength, operating performance and profile when compared to the standards established <i>DataPro Limited</i> . These companies, in our opinion may not have an ability to meet their current obligation and their financial strength is extremely vulnerable to adverse changes in economic conditions.
DD	Highest Risk	<i>(Very Poor)</i> Assigned to companies, which have very poor financial strength, operating performance and profile when compared to the standards established by <i>DataPro Limited</i> . These companies, in our opinion may not have an ability to meet their current obligation and their financial strength is extremely vulnerable to adverse changes in economic conditions.

SHORT-TERM RATING

Indicator	Meaning	Explanation
A1+	Highest credit quality	Indicates the strongest capacity for timely payment of financial commitments. May have an added “+” to denote any exceptionally strong credit feature.
A1	Good credit quality	A satisfactory capacity for timely payment of financial commitments, but the margin of safety is not as great as in the case of the higher ratings.
A2	Fair credit quality	The capacity for timely payment of financial commitments is adequate. However, near term adverse changes could result in reduction to non investment grade.
B	Speculative	Minimal capacity for timely payment of financial commitments, plus vulnerability to near term adverse changes in financial and economic conditions.
C	High default risk	Default is a real possibility. Capacity for meeting financial commitments is solely reliant upon a sustained, favorable business and economic environment. Indicates an entity that has defaulted on all its financial obligations.