



# GPC ENERGY AND LOGISTICS LIMITED



## DataPro Limited

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May, 2021

# GPC ENERGY AND LOGISTICS LIMITED

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## CORPORATE RATING REPORT

### References

Abiodun Adeseyoju, FCA.  
Abimbola Adeseyoju  
Oladele Adeoye

### EVALUATION

**VALID TILL: May, 2022**

Long-term Rating:	<b>A</b>
Short term Rating	<b>A1</b>
Previous Rating:	<b>N/A</b>
Rating Outlook:	<b>Stable</b>
Trend:	<b>Even</b>
Currency:	<b>Naira</b>

### EXECUTIVE SUMMARY

	2020 N'000	2019 N'000	2018 N'000	2017 N'000	2016 N'000
Turnover	7,252,114	6,278,574	5,462,687	5,482,687	4,019,601
Pre Tax Profit	938,196	1,737,512	1,208,546	1,384,305	823,603
Equity	5,641,883	4,536,267	3,078,258	2,569,039	563,169
Fixed Asset	11,795,936	2,470,544	3,070,787	1,851,385	3,556,247
Total Asset	14,403,440	7,213,362	6,880,400	5,373,617	6,029,028
Long-term Debt	6,617,461	1,653,765	2,308,631	1,842,290	3,966,695

### 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 strong ability to meet their current obligations.

*This report does not represent an offer to trade in securities. It is a reference source and not a substitute for your own judgment. As far as we are aware, this report is based on reliable data and information, but we have not verified this or obtained an independent verification to this effect. We provide no guarantee with respect to accuracy or completeness of the data relied upon, and therefore the conclusions derived from the data. This report has been prepared at the request of, and for the purpose of, our client only and neither we nor any of our employees accept any responsibility on any ground whatsoever, including liability in negligence, to any other person. Finally, DataPro and its employees accept no liability whatsoever for any direct or consequential loss of any kind arising from the use of this document in any way whatsoever.*

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### SUMMARY

- Rating

**A**

- Report Type:  
Corporate  
Rating

- Client:  
GPC Energy  
and Logistics  
Limited

- Date Compiled  
19-May-21

## RATING SYNOPSIS

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

The qualitative information used was based on industry and market intelligence including public information.

The quantitative information was 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 Risk and Sustainability of its current healthy profile in the medium to long term period.

Overall, the following were observed:

### Strengths:

- Experienced Management Team
- Good Liquidity
- favourable Market Opportunity

### Weakness:

- Concentration Risk

### SUMMARY

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**A**

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## BACKGROUND

**GPC Energy and Logistics Limited ("The Company")** was incorporated in November 2009. It commenced operation in the year 2010 as a Private Limited Company.

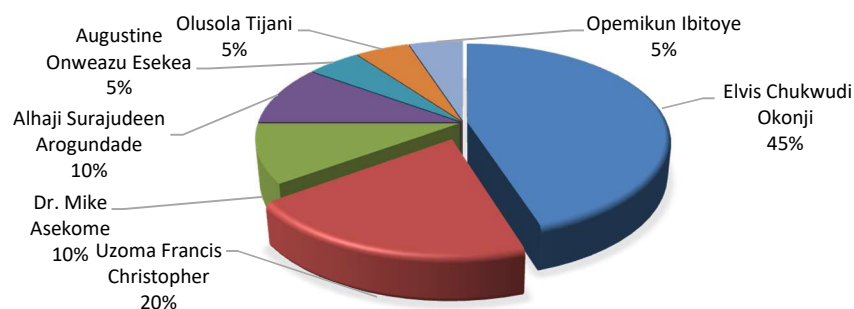
The principal activity of the Company is to carry on the business of haulage and general transportation of goods by all means of transport such as land, sea and inland waterways.

**GPC Energy and Logistics Limited** presently operates in elevens (11) locations in Nigeria with its head office located in Lagos. It serves its customers via a workforce of 762 employees and currently covers around 2,800,000 kilometers. The Company has the capacity to haul dry goods only. The Company's market share is estimated at 3.38%.

The Company presently served notable organizations such as: **Guinness Nigeria PLC, Lafarge Africa PLC, Nestle Nigeria PLC, Nigerian Breweries PLC, PZ Cussons Nigeria PLC and TAK Logistics Limited.**

The Company currently has 100,000,000 shares which are distributed as follows:

### ANALYSIS OF SHAREHOLDING STRUCTURE



Source: GPC Energy and Logistics Ltd

## DIRECTORS PROFILE

The following served as directors during the year under review: **Dr Mike Asekome- Chairman, Elvis Chukwudi Okonji - MD/CEO, Damisa Salu Abubakar, Opemikun Anjorin Ibitoye, Olusola Tijani, Ime Ibatt , Francis Uzoma Christopher, Vivian Okwudike and Jimoh Famuyiwa.**

The Directors' profiles are as follows.

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#### • Rating

A

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## SUMMARY

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### • Client: GPC Energy and Logistics Limited

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1. **Name:** Dr Mike Asekome  
**Position:** Chairman  
**Years of Experience:** 42 years  
**Education:**
  - B.Sc - University of Ibadan
  - MBA - University of Benin
  - M.Sc -University of Ibadan
  - PhD - University of Benin**Job Experience:**
  - First Bank of Nigeria
  - Sheltacare Mortgage Bank
  - EMB Finance
  - Midas Bank Plc
  - Michael Stevens Consulting
  - Partnership Company Ltd
  - Boldev Consulting Nigeria
  - Benson Idahosa University, Benin City**Year of Board:** 2020  
**Appointment**
2. **Name:** Elvis Chukwudi Okonji  
**Position:** MD/CEO  
**Years of Experience:** 24 years  
**Education:**
  - B.Sc - University of Calabar
  - MSc- University of Uyo
  - SMP- Lagos Business School**Job Experience:**
  - Midas Merchant Bank Limited
  - Gulf Bank of Nigeria Plc
  - First Atlantic Bank Plc
  - Bank PHB Plc
  - GPC Energy and Logistics Ltd**Year of Board:** 2011  
**Appointment**
3. **Name:** Damisa Saliu Abubakar  
**Position:** Executive Director  
**Years of Experience:** 23 years  
**Education:**
  - Institute of Administration
  - Institute of Logistics & Transport
  - Master's in Public Administration**Job Experience:**
  - GPC Energy and logistics Ltd
  - Rano Oil and Gas Services Ltd
  - Nepal Oil and Gas Ltd
  - Allied Energy Resources Ltd
  - Midas Bank Plc

## SUMMARY

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### • Client: GPC Energy and Logistics Limited

### • Date Compiled 19-May-21

- |                             |   |
|-----------------------------|---|
|                             | <ul style="list-style-type: none"> <li>• Concord Press of Nigeria Ltd</li> </ul>  |
| <b>Year of Board:</b>       | 2009  |
| <b>Membership</b>           |   |
| <b>4. Name:</b>             | Opemikun Anjorin Ibitoye  |
| <b>Position:</b>            | Executive Director  |
| <b>Years of Experience:</b> | 15 years  |
| <b>Education:</b>           | <ul style="list-style-type: none"> <li>• B.Eng- University of Ilorin</li> </ul>   |
| <b>Job Experience:</b>      | <ul style="list-style-type: none"> <li>• First Bank of Nigeria Plc</li> <li>• Bank PHB Plc</li> <li>• GPC Energy and Logistics Ltd</li> </ul>   |
| <b>Year of Board:</b>       | 2011  |
| <b>Membership</b>           |   |
| <b>5. Name:</b>             | Olusola Tijani  |
| <b>Position:</b>            | Executive Director  |
| <b>Years of Experience:</b> | 19 years  |
| <b>Education:</b>           | <ul style="list-style-type: none"> <li>• Bsc (Ed). Economics</li> <li>• Msc. Economics</li> </ul>   |
| <b>Job Experience:</b>      | <ul style="list-style-type: none"> <li>• Economic Intelligence Group</li> <li>• NAL Bank/ Sterling Bank</li> <li>• FinBank</li> <li>• Fidelity Bank</li> <li>• GPC Energy &amp; Logistics Ltd</li> </ul>  |
| <b>Year of Board:</b>       | 2020  |
| <b>Membership</b>           |   |
| <b>6. Name:</b>             | Ime Ibatt   |
| <b>Position:</b>            | Executive Director  |
| <b>Years of Experience:</b> | 21 years  |
| <b>Education:</b>           | <ul style="list-style-type: none"> <li>• The Polytechnic, Calabar</li> <li>• University of Calabar</li> </ul>   |
| <b>Job Experience:</b>      | <ul style="list-style-type: none"> <li>• Uyison Nig Ltd Calabar</li> <li>• Cooperative Dev. Bank Ltd</li> <li>• Universal Trust Bank Ltd</li> <li>• Multigas Tech. Nig, Kaduna</li> <li>• Akwa Savings &amp; Loans Ltd, Uyo</li> <li>• James Mbom &amp; Co. (Chartered Accts.)</li> <li>• GPC Energy &amp; Logistics Ltd</li> </ul> |
| <b>Year of Board:</b>       | 2020  |
| <b>Membership</b>           |   |
| <b>7. Name:</b>             | Francis Uzoma Christopher   |
| <b>Position:</b>            | Non-Executive Director  |
| <b>Years of Experience:</b> | 22 years  |

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### • Client: GPC Energy and Logistics Limited

### • Date Compiled 19-May-21

**Education:**

- Federal University of Yola
- Institute of Bankers, Ireland
- Distinction Diploma - Dife Dublin

**Job Experience:**

- Crown Flour Mills
- Construction and Design Ltd
- Allison Fisheries Ltd
- Consolidated Resources Ltd

**Year of Board:** 2021

**Membership**

**8. Name:** HRM Jimoh Famuyiwa

**Position:** Independent Director

**Years of Experience:** 12 years

**Education:**

- PZ Technical Training School
- ABB University Switzerland
- Lafarge Training School South Africa

**Job Experience:**

- PZ Industries LTD
- Rochco Plastic Industries
- Lafarge African Portland Cement, Ewekoro
- Aderinsoye Royal Nigeria Limited

**Year of Board:** 2020

**Membership**

**9. Name:** Vivian Okwudike

**Position:** Independent Director

**Years of Experience:** 9 years

**Education:**

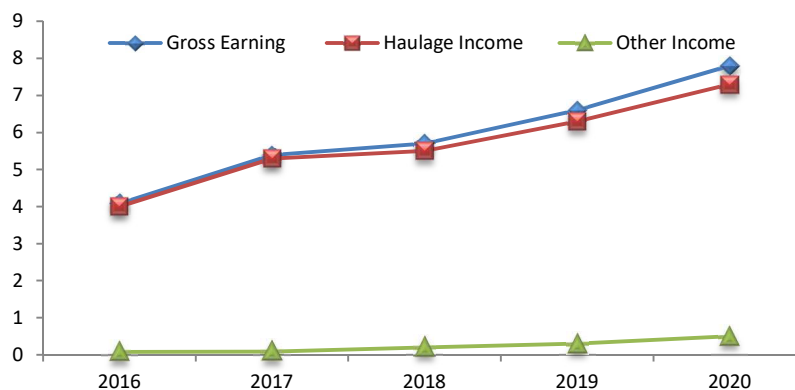
- B.Sc- Madonna University
- MBA- Obafemi Awolowo University

**Year of Board:** 2020

**Membership**

## FINANCIAL PERFORMANCE

### • EARNINGS PROFILE



Source: GPC Energy and Logistics Ltd

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## SUMMARY

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**A**

### • Report Type: Corporate Rating

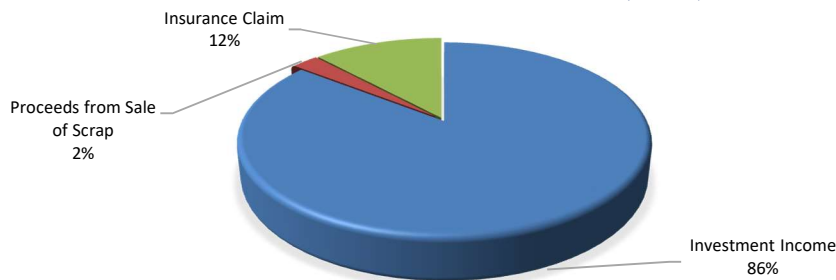
### • Client: GPC Energy and Logistics Limited

### • Date Compiled 19-May-21

**GPC Energy and Logistics Limited** derived its core earnings from haulage of dry goods. This constituted 94% of the Total Earnings. Haulage Income grew by 16% from ₦6.3b (Yr. 19) to ₦7.3b (Yr. 20). This source of Revenue entails income derived primarily from business of Freight and Logistic Services. The top six customers of the Company accounted for 100% of its Haulage Revenue in the year 2020.

The Company earned revenue from other sources apart from its principal activities. These sources are: Investment Income, Sale of Scrap and Insurance Claim. Total Earnings from these sources amounted to ₦478.8m (Yr. 20) as against ₦320.8m (Yr. 19). However, Investment Income was the biggest contributor to Other Income. It accounted for 86% during the year under review.

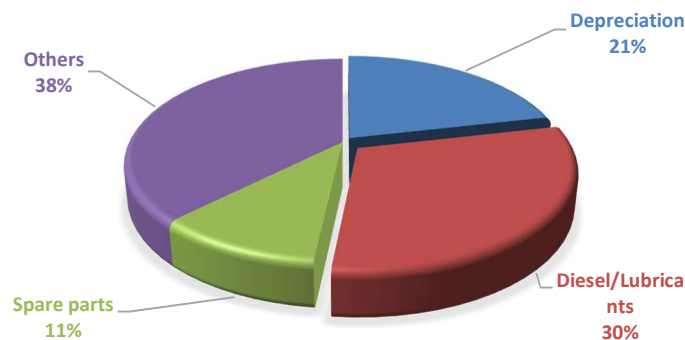
### DISTRIBUTION OF OTHER INCOME (2020)



**Source:** GPC Energy and Logistics Ltd

The Company's Direct Cost grew by 44% from ₦3.9b (Yr.19) to ₦5.6b (Yr.20). The Direct Cost comprises of purchase of Tyres & Tubes, Spare Parts Replacement and Other Expenses attributable directly to rendering of services. About 30% of the Company's raw materials (such as Trucks, Trailers, Spare parts, Diesel etc.) are not sourced locally. The distribution of the Cost of Sales is as presented:

### COMPOSITION OF DIRECT COST (2020)



**Source:** GPC Energy and Logistics Ltd



The growth in Cost of Sales outpaced the increase in Revenue during the year 2020. This led to the decrease in Gross profit margin from 38% (Yr.19) to 23% (Yr.20).

Total Expenses grew by 29% from ₦958.3m (Yr.19) to ₦1.2b (Yr.20). It comprised of Administrative Expenses and Finance Costs. However, the major component was Administrative Expenses which increased from ₦724.4m (Yr.19) to ₦843.9m (Yr.20). Staff Costs, Director's expenses and Professional expenses are the major components of Administrative Expenses during the year under review.

## SUMMARY

### • Rating

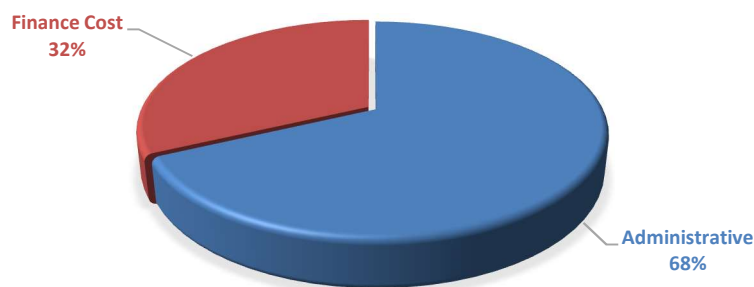
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## COMPOSITION OF OPERATING EXPENSES (2020)



*Source: GPC Energy and Logistics Ltd*

Finance cost constituted 32% of the Total operating expenses. It relates to the interest on Term Loan from **Union Bank of Nigeria** and **Fidelity Bank Plc**. Finance Cost increased from ₦234.1m (Yr.19) to ₦396.7m (Yr.20).

In view of the growth in Total Expenses which outweighed the Revenue, Profit Before Tax declined by 46% from ₦1.7b (Yr. 19) to ₦938m (Yr. 20). Similarly, all profitability indices went down during the year under review.

## • CAPITALIZATION

Shareholders' Fund grew by 24% from ₦4.5b (Yr. 19) to ₦5.6b (Yr. 20). The growth in Retained Earnings was responsible for the increase. Other elements of Shareholder Funds remained the same in the year 2019 and 2020.

Total Assets increased by 100% from ₦7.2b (Yr.19) to ₦14.4b(Yr.20). The activities of the Company is capital intensive with Non-Current Assets accounting for a major proportion of 82% of the Total Assets.

Continuous investment in Property, Plant and Equipment enhanced the asset base expansion from ₦2.5b (Yr. 19) to ₦11.8b (Yr. 20).

#### BREAKDOWN OF THE TOTAL ASSET

ITEM	₦'000	%
Current Assets	2,607,504	18.10
Non-Current Assets	11,795,937	81.90
Total Assets	14,403,440	100.00

Source: GPC Energy and Logistics Ltd

The proportion of Total Equity to Total Asset declined from 63% (Yr. 19) to 39% (Yr. 20). Liabilities funded 61% of Total Assets in the year under review. However, Interest Bearing Borrowings accounted for 74% of the Liabilities. The Interest-Bearing Borrowings included a Term loan from **Union Bank of Nigeria**.

#### SUMMARY

##### • Rating

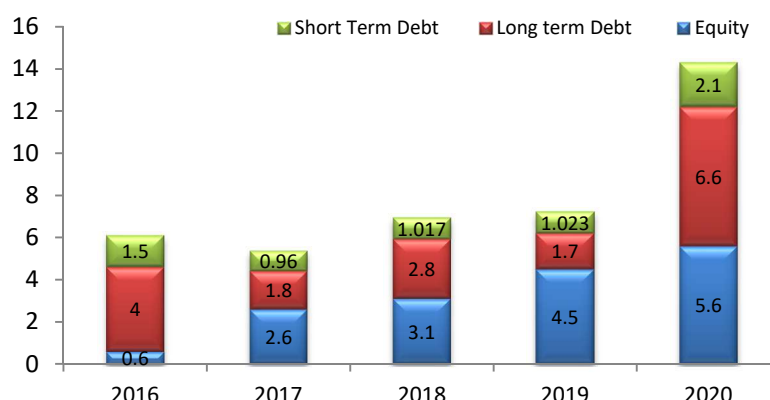
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#### CAPITAL FUNDING PROFILE (2016 – 2020)



Source: GPC Energy and Logistics Ltd

#### • ASSET UTILITY

**GPC Energy and Logistics Limited** presently has capacity to cater for dry cargo which involves movement of finished manufactured goods, majorly **Fast Moving Consumer Goods (FMCGs)**. Dry Cargo is solely responsible for 100% of the Company's Revenue. The Company currently operates at 100% of its capacity. The Assets of the Company deployed to rendering services during the year 2020 included 558 trucks, which delivered 14,500 tons of goods daily or 5.3million per year.

The Company's total Assets comprised of Current Assets and Non-Current Assets. However, Non-Current Assets constituted the largest chunk of 82% of the Total assets. It increased from ₦5.2b (Yr.19) to ₦11.8b(Yr.20).

Non-Current Asset comprised majorly of Property, Plant & Equipment. The growth in Property, Plant & Equipment was solely attributable to the Capital Expenditure of ₦10.5b incurred by the Company during the year 2020.

The Current Assets contributed 18% to the Total Assets. Current Assets increased by 31% from ₦2b (Yr.19) to ₦2.6b (Yr.20). The growth in Current Asset was supported by moderate growth in Trade and Other Receivables, Cash and Cash equivalent, and Inventory. However, Short term Investment declined from ₦151m (Yr.19) to ₦100m (Yr.20).

## SUMMARY

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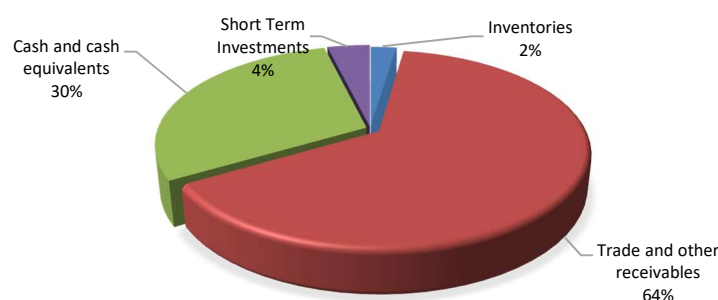
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## COMPOSITION OF CURRENT ASSETS (2020)



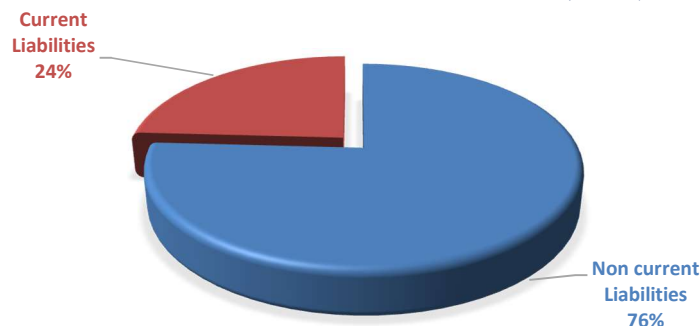
Source: GPC Energy and Logistics Ltd

The ability of the Company to effectively utilize Assets to generate Revenue declined from 87% (Yr.19) to 50% (Yr.20). Similarly, the effective utilization of assets to generate profit reduced from 24% (Yr.19) to 7% in the year 2020.

## • LIQUIDITY

Total Liabilities increased from ₦2.7b (Yr.19) to ₦8.8b (Yr.20). The Company's Liabilities were categorized into Current and Non-Current. The growth in Total Liabilities was largely due to the increase in Non-Current Liabilities which grew from ₦1.7b(Yr.19) to ₦6.7b(Yr.20).

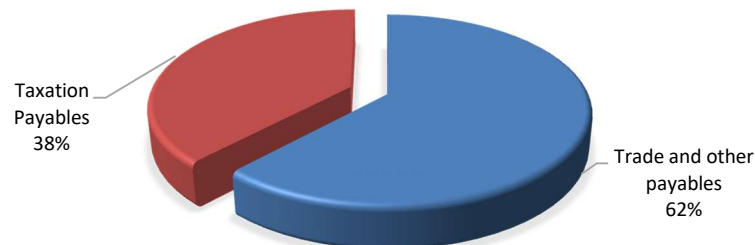
## COMPOSITION OF TOTAL LIABILITIES (2020)



Source: Source: GPC Energy and Logistics Ltd

Current Liabilities constituted 24% of Total Liabilities. It comprised of Trade & Other Payables and Taxation payables. These two components grew by 234% and 30% respectively in the year 2020.

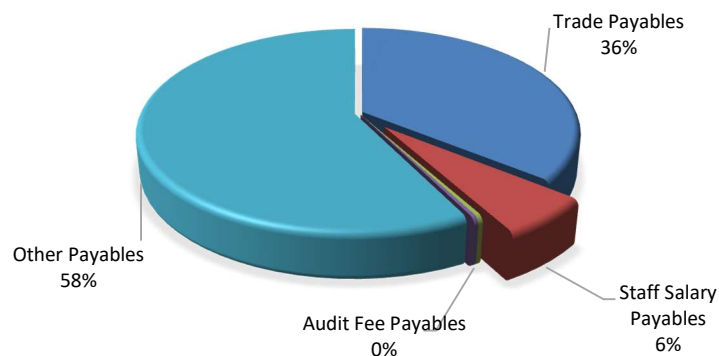
#### COMPOSITION OF CURRENT LIABILITIES (2020)



*Source: GPC Energy and Logistics Ltd*

Trade & Other payables constituted 62% of the Current Liabilities. These are Non-Interest Bearing Liabilities falling due within a year.

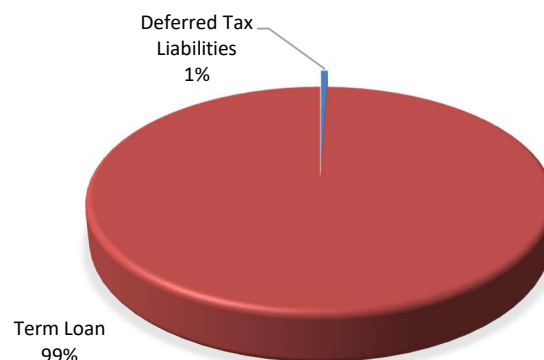
#### COMPOSITION OF TRADE & OTHER PAYABLES (2020)



*Source: GPC Energy and Logistics Ltd*

The Non-Current Liabilities constituted 76% of the Total Liabilities. It grew from ₦1.7b (Yr.19) to ₦6.6b (Yr.20). The Non-Current Liabilities comprised of Deferred Tax liabilities and Term Loan.

#### COMPOSITION OF NON-CURRENT LIABILITIES



*Source: GPC Energy and Logistics Ltd*

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Term Loan constituted 99% of the Non-Current Liabilities. It increased from ₦1.2b (Yr.19) to ₦6.6b (Yr.20). The Term Loans were facilities contracted from **Union Bank of Nigeria**.

The breakdown of the loan portfolio of the Company as at December 2020 is as shown:

#### DEBT OBLIGATION SCHEDULE

BANK	PURPOSE OF LOAN	DATE OF MATURITY	AMOUNT DISBURSED ₦000	OUTSTANDING BALANCE ₦000
UNION	Clearing and Logistics for 150 Man Trucks	2023	₦3,181,624.29	₦2,887,884.25
UNION	Importation of 150 Units of Sinotruk Trailers	2021	\$ 3,027.00	\$2,270.50
UNION	Importation of 150 Units of MAN Tractors	2024	€ 8,452.82	€6,959.50

*Source: GPC Energy and Logistics Ltd*

**GPC Energy and Logistics Limited** continued to generate positive cashflows from its operations. Cash generated from operations increased from ₦2.2b (Yr. 19) to ₦2.6b (Yr. 20). However, the Current ratio for the Company declined from 194% (Yr. 19) to 122% (Yr.20).

### CORPORATE GOVERNANCE & RISK MANAGEMENT

The affairs of the Company is directed by its Board of Directors which consists of five (5) Executive Directors and four (4) Non-Executive Directors.

The Company recognizes that it has Credit Risk, Market Risk, Interest Rate Risk and Regulatory Risk. In line with details contained in its annual report and information provided, the Company has in place measures to deal with its various risks. The Company's organogram is as presented.

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#### SUMMARY

##### • Rating

**A**

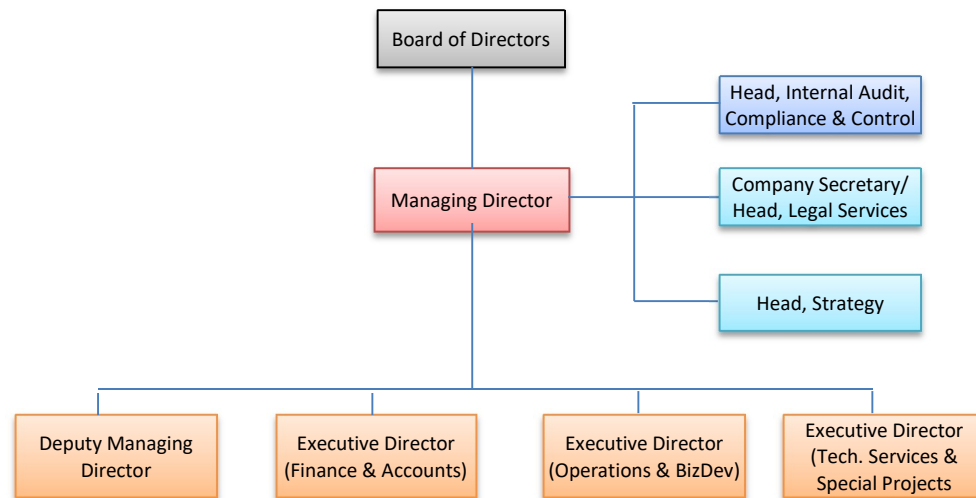
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## THE CORPORATE ORGANOGRAM



Source: GPC Energy and Logistics Ltd

## RISK FACTORS

In the course of our review, we observed the following significant risks.

### • EXCHANGE RATE RISK

This is the risk of loss to income as a result of adverse movement in the Exchange Rate.

Based on our review, we observed that the Company is heavily dependent on imported trucks and spare parts. This therefore exposes it to exchange rate risk and increasing its importation cost.

### • INTEREST RISK

This is the risk of loss to income arising from adverse changes in interest rates.

Based on our review, the Company incurred Interest Bearing Borrowings of ₦6.6b (Yr.20). Therefore, adverse movement in interest rate could impair the Company's profitability.

### • CREDIT RISK

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

Based on our review, we observed that Trade and Other Receivables constituted a proportion of 12% of the Company's total asset.

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### LEGAL RISK

This is the risk that the Company will be exposed to legal actions that may lead to paying of significant fees.

Based on our review, the Company is involved in four (4) cases in the ordinary course of its business and all the cases were instituted against **GPC Energy and Logistics Limited**. The total potential claims/damages claimed against the Company amounted to ₦43.7m as at December 2020.

### OPERATIONAL RISK

This is the risk of loss resulting from failed internal processes, people, systems, controls or from external events.

Based on our review, the nature of business of the Company is transportation which is prone to accidents, loss, or damage of clients' goods under custody, theft, fire, injuries to staff, etc. However, the Company has measures in place to mitigate the risk.

### COUNTERPARTY RISK

This is the risk of loss of revenue arising from inability of counterparties to honour their contractual obligation.

Based on our review, we observed that the Company currently served six (6) clients which accounted for 100% of its revenue. Consequently, disruption to the business of these counterparties or refusal to renew their contract on expiration could have adverse effect on the Company's Revenue.

## REGULATORY ENVIRONMENT

Although there is no known regulator for this industry, the affairs of the Company are governed by the laws of the **Federal Republic of Nigeria** and subject to the regulations of **Federal Road Safety Corps**.

The Company is currently registered as a Class B Operator of Group B under the **Road Transport Safety Standardization Scheme (RTSSS)**.

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## FUTURE OUTLOOK

*GPC Energy and Logistics Limited* expansion plan includes deepening their Core Competences as well as prospecting into the haulage of Wet Cargo which is another viable segment of the haulage industry.

The Company intends to expand into cross border transport logistics for their principal customers leveraging **AfCFTA** as a means of growth and foreign exchange receivables. To achieve this objectives, the Company required immediate and future Capital Expenditure of ₦18.9b and ₦7.5b respectively.

## CONCLUSION

The rating of the Company is supported by its experienced management team, good liquidity and good market opportunity.

However, the rating is constrained by high debt profile, low asset utilization and concentration risks. Consequently, we assigned a rating of "A".

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- Report Type:  
Corporate  
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GPC Energy  
and Logistics  
Limited

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19-May-21

## FINANCES

### Financial Position as at

	Dec, 2020 N'000	Δ%	Dec, 2019 N'000	Δ%	Dec, 2018 N'000
<b>Assets</b>					
Property, Plant & Equipment	11,795,936	377.46	2,470,544	(19.55)	3,070,787
Capital Work in Progress	-		2,753,457	16.67	2,360,071
Current Assets	2,607,504	31.07	1,989,361	37.24	1,449,543
<b>Total Assets</b>	<b>14,403,440</b>	<b>99.68</b>	<b>7,213,362</b>	<b>4.84</b>	<b>6,880,401</b>
<b>Liability and Equity</b>					
<b>Liability</b>					
Current Liabilities	2,144,096	546.66	1,023,329	0.58	1,017,413
Non- Current Liabilities	6,617,461	1,055	1,653,765	(40.50)	2,779,315
	<b>8,761,557</b>	<b>1,732</b>	<b>2,677,094</b>	<b>(29.49)</b>	<b>3,796,728</b>
<b>Equity</b>					
Share capital	1,500	-	1,500	-	1,500
Deposit for Shares	75,500	-	75,500	-	75,500
Retained Earnings	5,564,883	24.79	4,459,267	48.31	3,006,672
<b>Total Liabilities and Equity</b>	<b>14,403,440</b>	<b>25</b>	<b>7,213,362</b>	<b>4.84</b>	<b>6,880,401</b>
<b>Revenue</b>					
Revenue	7,252,114	15.54	6,276,574	3,473.81	175,627
Profit /(loss) Before Tax	938,196	(46.00)	1,737,512	(117.89)	(9,711,414)
Income Tax Expenses	167,419	(158.76)	(284,917)	(59.26)	(699,327)
<b>Profit /(loss) for the year</b>	<b>1,105,615</b>	<b>(23.89)</b>	<b>1,452,595</b>	<b>(114.19)</b>	<b>(10,236,114)</b>

### SUMMARY


- Rating

**A**

- Report Type:  
Corporate  
Rating

- Client:  
GPC Energy  
and Logistics  
Limited

- Date Compiled  
19-May-21

**Signed:**   
**Name:** **Oladele Adeoye**  
**Designation:** Chief Rating Officer  
**Date:** 19th May, 2021

For and on behalf of:  
**DataPro Limited**  
 Ground Floor, Foresight House  
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 163/165 Broad Street, Lagos Island, Lagos.  
 Tel: 234-1-4605395, 4605396  
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## SUMMARY

- **Rating**

**A**

- **Report Type:**  
Corporate  
Rating

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## USER GUIDE

**DataPro's** credit rating is an opinion of an issuer's 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+.

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### LONG-TERM RATING

#### Investment Grade

Indicator	Meaning	Explanation
AAA	Lowest Risk	(Superior) 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	(Excellent) 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	(Very Good) 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	(Fair) 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	(Marginal) 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	(Weak) 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	(Poor) 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	(Very Poor) 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.

### SUMMARY

- **Rating**

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and Logistics  
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- **Date Compiled**  
19-May-21

### 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.

DataPro @ 2021

## GPC Energy and Logistics Limited

## 2021 Corporate Rating

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.

### SUMMARY

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19-May-21