

Golden Harvest Agro Industries Ltd. (DSE: GHAIL)	
Current Price (Jan 02, 2014)	44.00
Total Number of Share (Mn)	81.90
Free Float (%)	65.00%
Forward PE* – Food & Allied	21.67x
Trailing PE* – Food & Allied	17.12x
Forward PE – Food & Allied Sector	21.45x

* Based on earnings of Q1, 2014

Financials (BDT Mn)	2012	2013	Q1, 2014** (Unaudited)
Net Revenue	559	626	169
Gross Profit	255	281	82
Operating Profit	183	211	61
Net Profit After Tax	78	148	42
Total Asset	1,549	2,614	2,762
Total Equity	958	1,995	2,037

**Year ends on June 30

YoY Growth (%)	2012	2013	Q1, 2014** (Unaudited)
Net Revenue	8%	12%	0%
Net Profit after tax	-41%	89%	38%

Per Share (BDT)	2012	2013	Q1, 2014** (Unaudited)
Restated EPS	0.96	1.81	0.51
Book Value Per Share	11.70	24.36	24.87

Others (%)	2012	2013	Q1, 2014** (Unaudited)
Gross Profit Margin	46%	45%	48%
Operating Profit Margin	33%	34%	36%
Net Profit Margin	14%	24%	25%
ROA	6%	7%	2%
ROE	8%	10%	2%
Stock Dividend	20%	5%	-
Cash Dividend***	-	10%	-

***Sum of interim and final dividend.

Source: DSE; Annual Report of GHAIL and Research, IDLC Investments Ltd.

Terminologies

Free Float : % of total shares not owned by Sponsors/ Directors, and Govt.
 Forward PE: Based on Annualized Earnings of the latest declared quarter
 Trailing PE: Based on Latest 12 Months Earnings

Company Profile

Golden Harvest Agro Industries Ltd., a concern of Golden Harvest Group was incorporated in August, 2004 as a manufacturer and seller of agricultural based food & food products. Subsequently, it was converted into public limited company in June, 2010. Later in March, 2013 the company got listed both in DSE and CSE. At present, 35% of its share is held by its sponsors.

The company has a subsidiary named as, Golden Harvest Ice Cream Ltd. where it holds 99.99% share.

Key Revenue Drivers & Company Insight

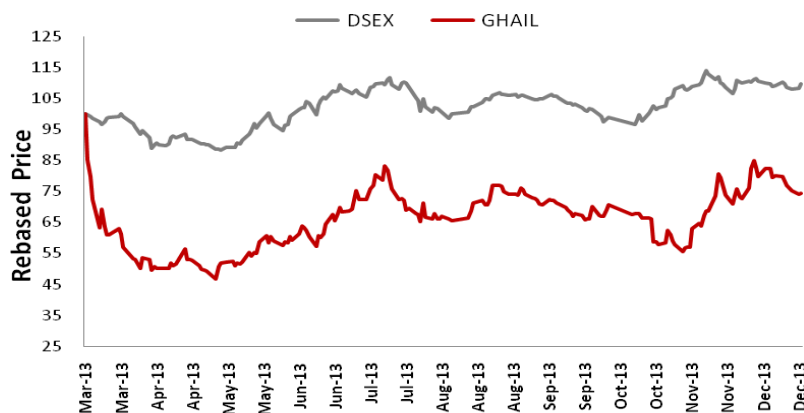
GHAIL produces and markets different varieties of Ready to Cook foods in local and international market. Alongside these, it imports and exports all kinds of food items, frozen & dry foods, jam jelly, sauce, pickles, candy, fruits and allied products. Meanwhile, USAID has been supporting the company in its overall operations from product development to international and local marketing and distribution under Cold Chain Management in Bangladesh

In an average, 95.5% of the total revenue comes from the sales in local market and the rest comes from sales in international markets, like, USA, UK, UAE, Canada, Malaysia, KSA and Australia.

Financial Performance

In spite of having a 12% top line growth in 2013 which was 8% in previous year, Gross Profit Margin declined slightly due to increased raw material price. Meanwhile, spurred by interest income from FDR and unutilized IPO proceeds, Net Profit from Operation and Net Profit after Tax grew by 71% and 89%, respectively. These also assisted in rising Operating Profit and Net Profit Margins to 34% and 24% from that of 33% and 14% in last year.

Recently, the company has reported net profit after tax of BDT 41.45 million with EPS of BDT 0.51 for the period of three months (Jul '13 to Sept. '13) as against BDT 30.12 million and BDT 0.37 respectively for the same period of the previous year.



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