

SURVEILLANCE CREDIT RATING REPORT A.B. ENTERPRISE



Ref. no.: FR/2022/26106

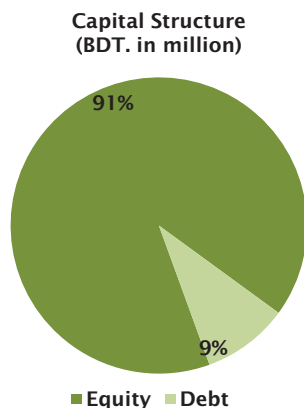
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Key Snapshot:

BDT. in million

Particulars	2021	2020
Revenue	124.82	108.54
EBIT	8.91	7.62
Net Profit	8.03	6.82
Total Assets	81.87	80.28
Total Equity	73.64	72.73
Debt	8.23	7.55
Net Profit Margin (%)	6.4%	6.3%
CCC (Days)	108	129
ICR (X)	10.94	10.29



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	29 August 2022	28 August 2023

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (H)	7.00	5.87	28.08.2022

BDT. in million

Financial Based on-unaudited financial statements up to 31 December 2021.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise **Three**) rating under the SME Rating to **A.B. Enterprise** (hereinafter referred as "A.B.E" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

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

- Experienced and skilled management
- Good business network
- Good mortgage security coverage against loan
- Low levered capital structure
- Good interest coverage position
- Satisfactory banking relationship

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

- Low disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to **above average level** of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that **A.B.E** will be able to maintain its good fundamentals in the foreseeable future.