

SURVEILLANCE CREDIT RATING REPORT SWISSTEX PRINTERS LIMITED

Ref. no.: FR/2023/030180



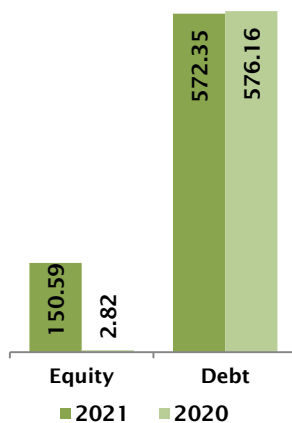
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Key Snapshot:

Tk. in million		
Particulars	2021	2020
Revenue	107.1	152.2
EBIT	4.13	0.58
Net Profit	3.28	-0.66
Total Assets	722.9	578.9
Total Equity	150.5	2.82
Debt	572.3	576.1
Net Profit Margin (%)	3.1	-0.4
Debt/Equity (X)	3.80	204.5
ICR (X)	15.47	1.10

Capital Structure
(BDT. in million)



Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB2	ST-4	Negative	12 March 2023	11 March 2024

Tk. in Million				
Bank	Mode	Limit Amount	Outstanding Amount	Bank Loan Rating
Jamuna Bank Limited [30.11.2022]	Term Loan	383.44	368.14	blr BBB2
	L/C	120.00	9.94	
	LTR	85.00	24.95	blr ST-4
	LDBP	12.60	12.60	
Hajj Finance Co. Ltd. [30.11.2022]	Time Loan	10.00	8.36	
	Term Loan	10.00	10.88	blr BBB2
National Finance Ltd. [30.11.2022]	Lease Finance	14.50	2.37	
	Lease Finance	20.00	3.29	blr BBB2
	Lease Finance	15.50	5.90	
National Housing Finance & Investment Ltd. [30.11.2022]	Housing Finance	100.00	63.65	blr BBB2
Union Capital Ltd. [30.11.2022]	Term Finance	50.00	20.41	blr BBB2

Financial Based on-Audited financial statement up to 30 June 2021.

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

RATING RATIONALE

WCRCL has assigned 'BBB2' (pronounced as Triple B Two) rating for the Long Term and 'ST-4' (pronounced as Short Term Four) rating for Short Term to **Swisstex Printers Limited** (hereinafter referred to as 'SPL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has also assigned "blr BBB2" (pronounced as Bank Loan Rating Triple B Two) rating to the long term loan outstanding and "blr ST-4" (pronounced as Bank Loan Rating Short Term Four) rating to the aggregated short term limit. The above ratings have been assigned based on the fundamentals of the company which include experienced and proactive management, financial flexibility arising from Swiss Tex Group, insurance coverage against fire, comfortable security arrangement, availability of the supply of raw materials, good interest coverage position, owned factory premises and good infrastructural arrangement, satisfactory health and safety measures, broad range of buyers. However, the above factors are constrained to average disclosure in the financial statement, vulnerability in raw- materials price in the local and international market may impact profitability, high levered in the capital structure, stressed liquidity position considering long receivable outstanding days, negative retained earnings, poor banking conduct with SMA status.

The long term rating implies that the company is subject to medium credit risk and considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the company has the capacity to meet its financial commitment on the obligation; however, it may face uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

WCRCL also viewed the company with "Negative" outlook and believes that **SPL** will be able to maintain its good fundamentals in the foreseeable future.