

INITIAL CREDIT RATING REPORT RABEYA TRADING



Ref. no.: FR/2023/031248

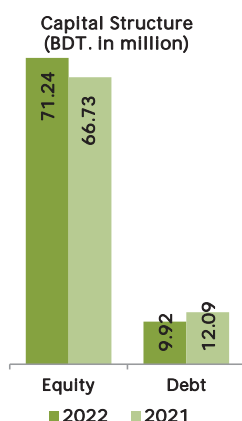
Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	2
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	5

Key Snapshot:

BDT. In million

Particulars	2022	2021
Revenue	493.81	487.30
EBIT	56.15	54.74
Net Profit	55.63	54.33
Total Assets	81.17	78.81
Total Equity	71.24	66.73
Total debt	9.92	12.09
Net Profit Margin (%)	11.3	11.1
CCC (Days)	48	47
ICR (X)	106.66	131.71



Analysts:

Mst. Irin Akter
irin@wasocreditrating.com

Monira Islam
monira@wasocreditrating.com

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 2	Stable	31 May 2023	30 May 2024

WCRSE 2 rating is equivalent to Bangladesh Bank SME rating scale of SME 2 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

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

RATING RATIONALE

WCRCL has assigned 'WCRSE 2' (pronounced as WASO Credit Rating Small Enterprise Two) rating under the SME Rating to Rabeya Trading (hereinafter referred as "RT" 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
- Owned business premises and storage facility
- Satisfactory banking relationship
- Good business network
- Low levered capital structure
- Good interest coverage position

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 high level of credit worthiness in relation to other small enterprises.

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