

SURVEILLANCE CREDIT RATING REPORT ROUTE TO MARKET INTERNATIONAL LIMITED

Ref. No.: FR/2023/031445

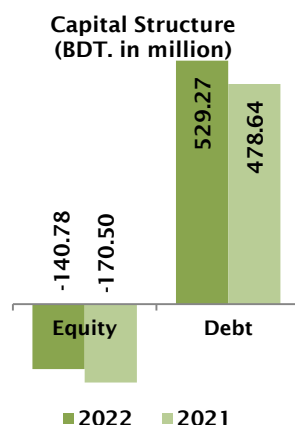


Report Contents:

Particulars	Page
Rating Rationale	1
Business Profile	2
Shareholding Position	2
Management Evaluation	2
Business Analysis	2
Financial Analysis	3
Banking Position	4
Risk Factors Analysis	5
Rating Observations	5

Key Snapshot:

Tk. in million		
Particulars	FY22	FY21
Revenue	883.36	722.63
COGS	748.56	613.38
Gross Profit	134.80	109.24
Profit from Operation	71.98	61.82
Financial Exp.	26.98	27.09
PAT	29.73	22.85
Total Assets	388.49	308.14
Total Debt	529.27	478.64
Total Equity	-140.77	-170.5
Debt/Equity (X)	-3.76	-2.81
ICR (X)	2.67	2.28



Analysts:

Md. Al Amin Jewel
jewel@wasocreditrating.com

Md. Rafiul Bary
rafi@wasocreditrating.com

Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB2	ST-3	Stable	12 June 2023	06 May 2024

Tk. in Million				
Bank/s	Facilities	Limit Amount	Outstanding Amount	Bank Loan Rating
Mercantile Bank Ltd. (31.05.2023)	L/C	90.00	0.00	
	LTR	35.00	0.00	
	Time Loan	60.00	55.50	blr ST-3
	SOD (G)	250.00	239.85	
	Capital Lease	3.20	2.55	blr BBB2
Dhaka Bank Limited (31.05.2023)	L/C	30.00	0.00	
	LTR	(27.00)	0.00	
	Time Loan	15.00	0.00	blr ST-3
	OD	15.00	14.96	
Bank Asia Limited (31.05.2023)	L/C	50.00	0.00	
	LATR	45.00	0.00	blr ST-3
	OD	95.00	93.79	
Al-Arafah Islami Bank Ltd. (31.05.2023)	L/C	50.00	0.00	
	LTR	45.00	8.06	blr ST-3
	Bai-Muajjal (G)	50.00	29.86	
United Finance Ltd. (31.05.2023)	Term Loan	20.00	13.76	blr BBB2

Financial Based on- Audited financial statements up to 30 June 2022.

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

RATING RATIONALE

WCRCL has reaffirmed **BBB2** rating (Pronounced Triple B Two) for the long term and **ST-3** for the short term (Pronounced Short Term Three) to **Route to Market International Limited** (hereinafter referred to as 'RTMIL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL also reaffirmed **blr BBB2** (Pronounced Bank Loan Rating Triple B Two) for long term loan outstanding and **blr ST-3** (Pronounced Bank Loan Rating Short Term Three) for short term loan limit.

The above rating has been assigned based on experienced directors and management, maintained sound relationship with suppliers, lenders and customers, getting advantages for perfect selling positioning, established business network, comfortable security arrangement, having group support etc.

However, the above factors are constrained to some extent by average disclosure in the financial statement, high levered concern, negative equity, stressed liquidity position, extensive competition to the market.

The long term rating implies the company is subject to medium credit risk and considered medium grade and as such may possess certain speculative characteristics. It is expected to rely on external sources of committed financing. Based on its evaluation of near term covenant compliance, WCRCL believes that the issuer may require covenant relief in order to maintain orderly access to funding lines.

WCRCL also viewed the Company with **Stable** outlook and believes that **RTMIL** will be able to maintain its good fundamentals in the foreseeable future.