

2nd SURVEILLANCE CREDIT RATING REPORT ALEEF FURNITURE COMPLEX



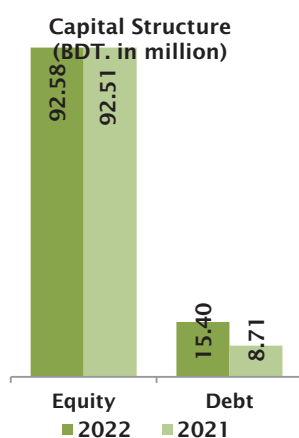
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Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	49.20	48.00
EBIT	12.53	11.45
Net Profit	9.28	9.28
Total Assets	102.98	101.22
Total Equity	92.58	92.51
Debt	15.40	8.71
Net Profit Margin (%)	18.9%	19.3%
CCC (Days)	766	837
ICR (X)	4.97	7.95



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Negative	04 July 2023	03 July 2024

WCRSME4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 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 reaffirmed **‘WCRSME4’** (pronounced as WASO Credit Rating Small Enterprise **Four**) rating under the SME Rating to **Aleef Furniture Complex** (hereinafter referred as **“AFC”** 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 profitability margin
- 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
- Low management information system (MIS) and Manual accounting system

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

WCRCL also viewed the enterprise with **“Stable”** outlook and believes that AFC will be able to maintain its good fundamentals in the foreseeable future.

This rating may be revised in case of any extraordinary changes in line with the sponsor’s equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.