3rd SURVEILLANCE CREDIT RATING REPORT ALIF ENTERPRISE

Ref. no.: FR/2023/31808



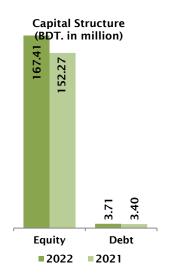
Report Contents:

Particulars	Dage		WCKSE/WC	KME	Outlook	Date of De	Date of Declaration		Date of Expiration	
	Page	шг	⋝ :≣		Stable	12 June 2023		11 June 2024		
Rating Rationale	1	ΣΞ								
Business Profile	2	S	WCRSE 3							
Proprietor's Profile	2									
Management's Profile	3	WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular								
Business Analysis	4	number BRPD(BIC)661/14B(P)/2014/2093.								
Financial Analysis	4								Tk. in Million	
Banking Position Analysis	5	Bank		Fa	cilities	Limit	Outstand	_	Outstanding	
Risk Factors Analysis	6					Amount	Amoun	t	Date	
Rating Observations	7	Uttara Ba	ank Limited		CC(H)	3.00	1.86		22/06/2023	
J 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2		Total			3.00	1.86		22/00/2023		

Key Snapshot:

BDT. in million

Particulars	2022	2021		
Revenue	212.78	185.03		
EBIT	28.93	25.07		
Net Profit	6.33	2.72		
Total Assets	171.12	155.67		
Total Equity	167.41	152.27		
Debt	3.71	3.40		
Net Profit Margin (%)	3.0	1.5		
CCC (Days)	262	267		
ICR (X)	10.52	10.03		



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Financial Based on: Unaudited financial statements up to 31st December 2022.

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

RATING RATIONALE

WCRCL has reaffirmed **WCRSE 3** (Pronounced WASO Credit Rating Small Enterprise Three) rating to **Alif Enterprise** (hereinafter referred to as 'AE' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the enterprise.

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

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

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

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- 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 AE will be able to maintain its good fundamentals in the foreseeable future.