

4th SURVEILLANCE CREDIT RATING REPORT ELECTRA MOBILE LIMITED

Ref. no.: FR/2023/031442



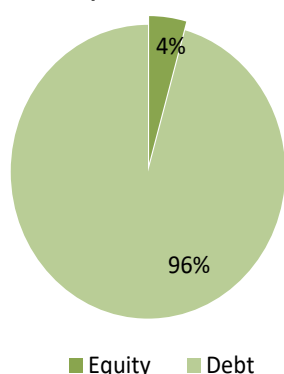
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Key Snapshot:

Particulars	2022	2021
Revenue	3195.81	1496.03
EBIT	342.54	90.27
Net Profit	206.00	56.74
Total Assets	1437.43	1423.80
Total Equity	268.11	62.11
Debt	1169.31	1361.68
Gross Profit Margin (%)	11.54	7.73
Net Profit Margin (%)	6.45	6.03
Cash Conversion Cycle (Days)	93	3.79
Debt to Equity Ratio (X)	4.36	0.21
Interest Coverage Ratio (X)	6.02	9.80

Capital Structure



Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	A2	ST-3	Stable	12 June 2023	14 June 2024

Bank Name	Mode of Investment	Sanctioned / Limit Amount	Outstanding Amount	Bank Loan Rating
Eastern Bank Limited (30.04.2023)	Sight letter of LC	500.00	0.00	blr ST-3
	Demand loan	1500.00	0.00	
	Import Loan	(475.00)	0.00	
Community Bank Limited (30.04.2023)	Time Loan	250.00	100.34	
	Time Loan	900.00	0.00	
Prime Bank Limited (30.04.2023)	LC	(800.00)	0.00	
	LTR	(760.00)	0.00	
	BG	(450.00)	0.00	

*blr - Bank Loan Rating

Financial Based on- Audited Financial statements up to 30th June 2022, 2021, 2020.

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

RATING RATIONALE

WCRCL has reaffirmed 'A2' rating (pronounced as A Two) for the long term and 'ST-3' rating (pronounced as Short Term Three) for the short term to **Electra Mobile Limited** (hereinafter referred to as 'EML' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. 'blr ST-3' (pronounced as bank loan rating Short Term Three) rating to aggregate short term loan limit of Tk. 3750.00 million.

The above ratings have been assigned based on experienced promoter and management, established market position and stable customer profile which reflects healthy turnover, satisfactory health and experienced and proactive management, secured with insurance coverage, good coverage position and regular loan repayment history. However, the above factors are constrained to some extent by tight high competition in market, price volatility in trading products, highly levered concern, liquidity position with long cash conversion cycle, and lower profit margin.

The long term rating implies that the company is in upper medium grade and subject to low credit risk. The short term rating implies that the company has an acceptable ability to repay short term debt obligations from internal sources. However, it is expected to rely on external sources of committed financing due to downturn in economic or industry circumstances.

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