INITIAL CREDIT RATING REPORT

ALIB COMPOSITE LIMITED

Ref. no.: FR/2023/030316

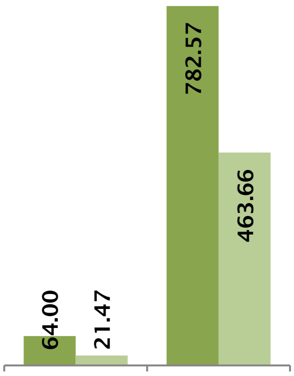
Report Contents:

Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	1,299.90	936.64
EBIT	86.36	64.75
Net Profit	42.53	31.06
Total Assets	846.57	485.13
Total Equity	64.00	21.47
Debt	782.57	463.66
Net Profit Margin (%)	3.3%	3.3%
Current Ratio (X)	1.11	1.25

Capital Structure (BDT. in million)



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB2	ST-3	Stable	28 March 2023	27 March 2024

Tk. in million

Bank Name	Mode of Investments	Sanctioned Amount	Outstanding Amount as on 09.03.2023	Bank Loan Rating
Uttara Bank Limited	BTB LC	700.00	252.43	blr ST-3
	OD	105.00	104.43	
	IBP	20.00	--	
	LC (S/D)	30.00	1.16	
	OD	5.60	5.60	
	LF	2.10	1.99	blr BBB2
	LF	2.62	1.42	
	TL	34.20	34.23	
	TL	15.00	13.52	
	TL	15.00	16.23	
	TL	20.00	19.77	
	TL	30.00	17.35	
	TL	20.00	14.06	
	TL	15.00	3.23	
	TL	100.00	77.46	
	TL	10.00	11.56	

Financial Based on- *Audited financial statements up to FY22.*
Methodology: *Corporate rating methodology published on the WCRCL website at www.wasocreditrating.com*

RATING RATIONALE

WCRCL has Assigned 'BBB2' (pronounced as Triple B Two) rating to the entity for long term and 'ST-3' (pronounced as Short Term Three) for short term to Alib Composite Limited (hereinafter referred as "ACL" or "The Company") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment. WCRCL has also assigned 'blr BBB2' to aggregated long term outstanding and 'blr ST-3' (pronounced as Bank Loan Rating Short Term Three) rating to the aggregated short term limit. The above ratings have been assigned based on the fundamentals of the entity. Which includes experienced and skilled Management, increasing trend in business growth, equipped with sufficient power backup, strong group support, good supportive facilities to the workers, insurance coverage, positive fund flow from operation. However, the above factors are constrained to poor disclosure of financial statement to review and analyze the true financial attributes, not efficiently control over Cost of goods sold, highly levered capital structure.

The long-term rating is subject to medium credit risk and considered medium grade and as such may possess certain volatile characteristics**.** The short term rating implies that the company has 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 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 ACL will be able to maintain its good fundamentals in the foreseeable future.