

# 4<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT LABIBA GLOBAL ENTERPRISE

Ref. no.: FR/2023/33867



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	26 September 2023	25 September 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank PLC	CC (H)	30.00	-	25.09.2023

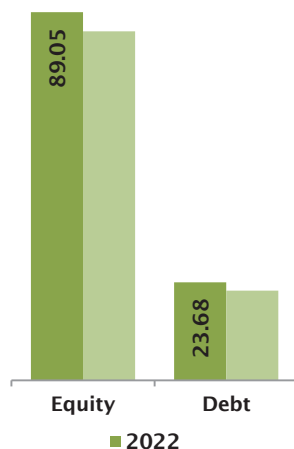
Financial Based on-audited financial statements up to 31 December 2022.

Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## Key Snapshot:

Particulars	2022	2021
Revenue	378.07	328.76
EBIT	50.81	43.27
Net Profit	38.39	31.92
Total Assets	112.73	106.17
Total Equity	89.05	84.46
Total debt	23.68	21.71
Net Profit Margin (%)	10.2	9.7
CCC (Days)	29	32
ICR (X)	4.29	4.02

Capital Structure  
(BDT. in million)



## RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Labiba Global Enterprise (hereinafter referred as "LGE" 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
- Satisfactory banking relationship
- Good business network
- Good interest coverage position
- Low levered capital structure
- Good liquidity position with short cash conversion cycle

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

- Low disclosure of financial statements
- Manual accounting system
- Rented business premises and storage facility

The SME rating implies that the enterprise is adjudged to above average credit quality.

## Analysts:

**Shudhan Mallick**  
[shudhan@wasocreditrating.com](mailto:shudhan@wasocreditrating.com)

**Maharan Nasrin**  
[maharan@wasocreditrating.com](mailto:maharan@wasocreditrating.com)

WCRCL also viewed the enterprise with "Stable" outlook and believes that LGE 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.