

5th SURVEILLANCE CREDIT RATING REPORT DESH EXPORT

Ref. no.: CRAR – 3238/2023



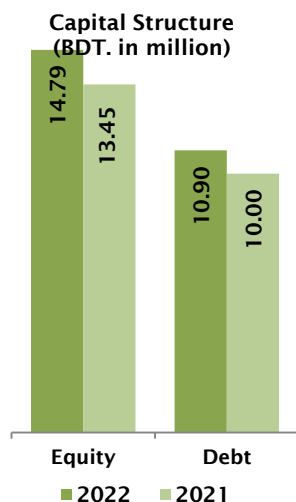
Report Contents:

Particulars	Page
Rating Rationale	1
Business Profile	2
Owners Synopsis	2
Business Management	2
Industries Analysis	2
Business Analysis	4
Financial Strength Analysis	5
Banking Relationship	5
Risk Factor Analysis	6
Rating Observations	6

Key Snapshot:

Tk. In Million

Particulars	2022	2021
Revenue	59.80	52.00
EBIT	6.29	5.40
Net Profit	4.88	4.12
Total Assets	25.69	23.45
Total Equity	14.79	13.45
Debt	10.90	10.00
Net Profit Margin (%)	8.2%	7.9%
CCC (Days)	144	110
ICR (X)	4.63	4.37



Analysts:

Md. Rafiul Bary
rafi@wasocreditrating.com

Maharan Nasrin
maharan@wasocreditrating.com

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	17 October 2023	16 October 2024

Tk. In Million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 02.10.2023
Islami Bank Bangladesh PLC	Bai-Murabaha TR/CPH/LC/MPI	5.50	4.49

Financial Based on- Management prepared financial statements for the periods ended up to 31st December 2022.

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

RATING RATIONALE

WCRCL has reaffirmed ‘WCRSME3’ (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Desh Export (hereinafter referred to as ‘DE’ 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 include strong business network, low leverage position in the capital structure, good interest coverage ratio, and comfortable security arrangement. However, the above rating has been moderated to some extent due to some factors like lack of disclosure in the financial statements, unstructured accounting system, and small scale of business and price volatility of trading products.

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

WCRCL also viewed the Enterprise with “Stable” outlook and believes that DE 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.