

4th SURVEILLANCE CREDIT RATING REPORT LEE FASHION

Ref. no.: CRAR- 7133/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	31 October 2023	30 October 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank PLC	CC(H)	9.00	9.11	16.10.2023

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

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

Key Snapshot:

Particulars	Tk. In Million	
	2022	2021
Revenue	58.00	46.70
EBIT	12.63	5.55
Net Profit	11.99	5.38
Total Assets	41.60	27.16
Total Equity	26.40	20.19
Debt	15.20	6.97
Net Profit Margin (%)	20.7	11.5
CCC (Days)	207	215
ICR (X)	20.20	34.18

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating to Lee Fashion (hereinafter referred to as 'LF' 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:

- Long experience track of the proprietor
- Good business network
- Overall good profitability ratios
- Low levered capital structure
- Comfortable interest coverage position

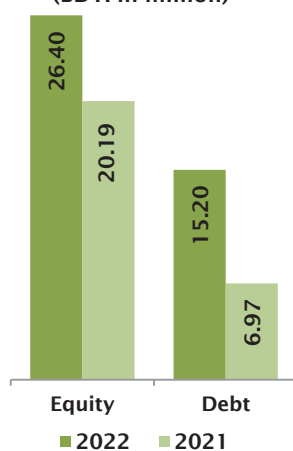
However, the above rating has been moderated to some extent due to some factors like:

- Low disclosure of financial statements
- No insurance policy
- Tight liquidity position
- Manual accounting system
- Majority transaction of the enterprise are made by credit

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

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

Capital Structure
(BDT. in million)



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