

CREDIT RATING REPORT N.N ENTERPRISE



Ref. no.: FR/2022/32557

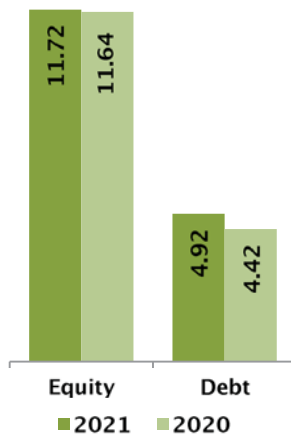
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Key Snapshot:

BDT. in million			
Particulars	2022	2021	
Revenue	22.00	20.00	
EBIT	3.81	3.73	
Net Profit	3.75	3.67	
Total Assets	16.64	16.06	
Total Equity	11.72	11.64	
Total debt	4.92	4.42	
Net Profit Margin (%)	17.0%	18.4%	
CCC (Days)	180.19	203.14	
FFO In Million	3.67	3.75	

Capital Structure
(BDT. in million)



Analysts:

Nazrul Islam
nazrul@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	27 December 2022	21 December 2023

WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

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

RATING RATIONALE

WCRCL has assigned 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to **N.N Enterprise** (hereinafter referred as "NNE" 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
- Good mortgage security coverage against loan
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- Moderate banking relationship
- No insurance coverage
- Poor disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to **average level** of credit worthiness in relation to other small enterprises.

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