

4th SURVEILLANCE CREDIT RATING REPORT NEW PRIME ELECTRONICS



Ref. no.: CRAR – 6193/2023

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

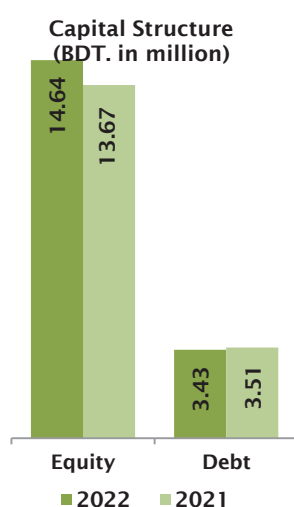
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Tk. in million Date of Outstanding
Uttara Bank PLC	CC (Hypo)	5.00	3.90	10.10.2023

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

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

Key Snapshot:

Particulars	Tk. in million	
	2022	2021
Revenue	48.45	35.21
EBIT	6.00	4.37
Net Profit	5.00	3.53
Total Assets	18.06	17.17
Total Equity	14.64	13.67
Debt	3.43	3.51
Net Profit Margin (%)	10.3%	10.0%
CCC (Days)	100	142
ICR (X)	6.00	5.17



RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to New Prime Electronics (hereinafter referred as "NPE" 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
- Satisfactory banking relationship
- Good Net Worth of the Proprietor
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- Good interest coverage position
- 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
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

Analysts:

Md. Rafiul Bary
rafi@wasocreditrating.com

Maharan Nasrin
maharan@wasocreditrating.com

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 NPE 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.