

## Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Allied Concern	2
Business Management	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	4

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	07 May 2023	08 April 2024

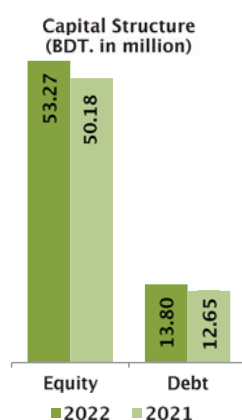
WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Tk. in million
				Date of Outstanding
Uttara Bank Limited	CC (H)	5.00	1.25	07.05.2023
	L/C	20.00	Nil	
	LTR (Inner limit of L/C)	(6.00)	Nil	

## Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	128.95	112.13
EBIT	45.85	39.54
Net Profit	44.11	37.91
Total Assets	67.07	62.83
Total Equity	53.27	50.18
Debt	13.80	12.65
Net Profit Margin (%)	34.2	33.8
CCC (Days)	206	219
ICR (X)	40.33	38.26



## Analysts:

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Financial Based on audited financial statements up to 31<sup>st</sup> December 2022.

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

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Prestone Packaging (hereinafter referred as "PP" 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 reaffirmed based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Owned business premises
- Satisfactory banking relationship
- Good business network
- 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
- Dependency on single buyer which is own concern

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

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