

2nd SURVEILLANCE CREDIT RATING REPORT RAKIB TRADING

Ref. no.: FR/2023/33376



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|---------------------------|------|---------------------|----------------|-----------------|-----------------------|---------------------|
| Rating Rationale | 1 | | WCRSME4 | Stable | 04 July 2023 | 17 July 2024 |
| Business Profile | 2 | | | | | |
| Proprietor's Profile | 3 | | | | | |
| Management's Profile | 4 | Tk. in Million | | | | |
| Business Analysis | 4 | Bank | Facility | Limit Amount | Outstanding Amount | Outstanding Date |
| Financial Analysis | | Uttara Bank Limited | CC (Hypo) | 10.50 | 10.152 | 30.05.2023 |
| Banking Position Analysis | 5 | Total | | 10.50 | 10.152 | |
| Risk Factors Analysis | 6 | | | | | |
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Key Snapshot:

| Particulars | 2022 | 2021 |
|-----------------------|-------|-------|
| Revenue | 49.83 | 43.33 |
| EBIT | 4.65 | 4.01 |
| Net Profit | 4.28 | 3.67 |
| Total Assets | 24.25 | 22.13 |
| Total Equity | 15.45 | 14.06 |
| Debt | 8.80 | 8.07 |
| Net Profit Margin (%) | 8.6% | 8.5% |
| CCC (Days) | 117 | 143 |
| ICR (X) | 12.35 | 11.72 |

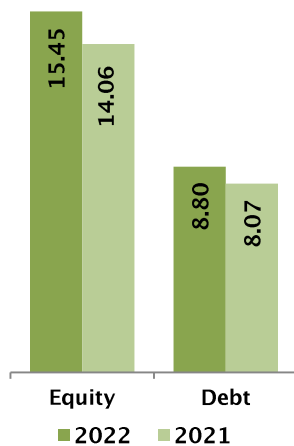
Financial Based on: Un-Audited financial statements for 2022 and 2021.

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

RATING RATIONALE

WCRCL has reaffirmed **WCRSME4** (Pronounced WASO Credit Rating Small & Medium Enterprise Four) rating to **Rakib Trading** (hereinafter referred to as 'RT' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the enterprise.

Capital Structure
(BDT. in million)



The above rating has been assigned based on long experience of the Promoter helps to form stronger relationship with suppliers, customers and lenders, satisfactory coverage position of the concern, comfortable interest coverage position, low levered concern etc. However, the above factors are constrained to some extent by poor disclosure in financial statements, risk associated with procurement of products, small scales of operation, high competitive intensity of the traded products, liquidity of the firm was in stressed position due to payment nature of the customers.

The rating implies that the enterprise has an average credit quality.

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WCRCL also viewed the enterprise with **Stable** outlook and believes that **RT** 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.