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SME Rating	Rating Notches	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	30 August 2023	29 August 2024

Bank	Facility	Limit Amount	Outstanding Amount	Outstanding Date
Mercantile Bank Limited	SOD (Gen)	4.00	0.0036	29.08.2023

Tk. in million

Key Snapshot:

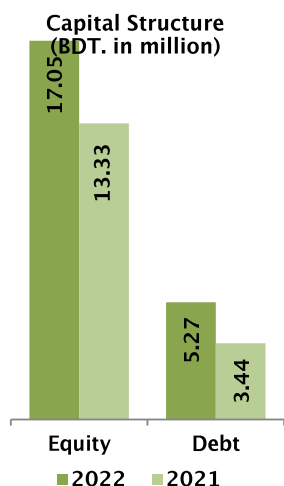
Particulars	2022	2021
Revenue	35.09	31.90
EBIT	3.94	3.60
Net Profit	3.72	3.33
Total Assets	21.22	16.77
Total Equity	17.05	13.33
Debt	5.27	3.44
Net Profit Margin (%)	10.6%	10.4%
CCC (Days)	137	137
ICR (X)	22.97	16.62

Financial Based on Unaudited financial statements up to 2022, 2021 and 2020.

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

RATING RATIONALE

WCRCL has re-affirmed **WCRSME3** rating (Pronounced WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to **Starter Fashion** (hereinafter referred as "**SF**" 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 track of experience of the proprietor, comfortable interest coverage position, comfortable collateral security arrangement, established network etc. However, the above factors are constrained to some extent by poor disclosure of financial statement to review and analyze the true financial attributes, small scale of business operation, manual accounting system, high levered concern etc.

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

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