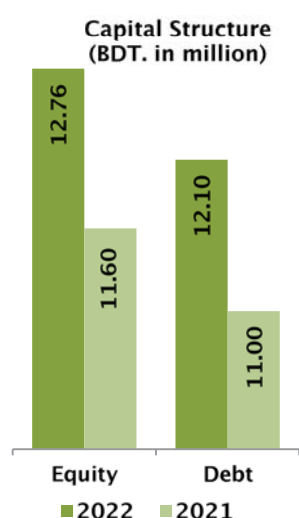


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Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	44.00	40.00
EBIT	2.44	2.22
Net Profit	1.64	1.49
Total Assets	24.86	22.60
Total Equity	12.76	11.60
Total debt	12.10	11.00
Net Profit Margin (%)	3.7%	3.7%
CCC (Days)	154	159
ICR (X)	3.08	3.08



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SME Rating	WCRSME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	04 July 2023	17 July 2024

WCRSME3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Financial Based on-Unaudited financial statements up to 31 December 2021, 2020.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to **Swapnaza Pharma** (hereinafter referred as "SP" 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
- 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
- No insurance coverage
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to above average credit quality to other small & medium enterprises. 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.

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