

INITIAL CREDIT RATING REPORT UNITED TRADE POINT



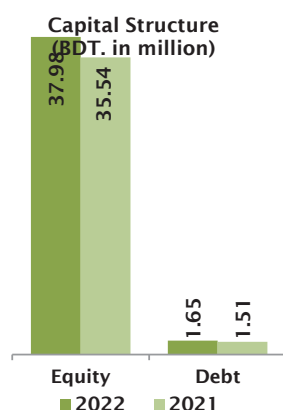
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Key Snapshot:

BDT. in million			
Particulars	2022	2021	
Revenue	77.68	67.55	
EBIT	69.19	6.14	
Net Profit	68.59	5.54	
Total Assets	39.64	37.04	
Total Equity	37.98	35.54	
Total debt	1.65	1.51	
Net Profit Margin (%)	88.3%	8.2%	
CCC (Days)	115	178	
ICR (X)	691.94	61.35	



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	12 September 2023	11 September 2024

Financial Based on- Un-audited financial statements for 31st December 2023

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

RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to United Trade Point (hereinafter referred as "UTP" 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 profitability margin
- 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 interest coverage ratio
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the Enterprise has above Average Credit Quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that UTP 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.