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| Entity Rating | Long Term | Short Term | Outlook | Date of Declaration | Date of Expiration |
|---------------|-----------|------------|---------|---------------------|--------------------|
| | BBB+ | ST 3 | Stable | 05 September 2023 | 28 August 2024 |

| Bank Name | Investment Mode | Limit or Sanctioned Amount | Outstanding as on 29.08.2023 | Bank Loan Rating |
|---------------------|-----------------|----------------------------|------------------------------|------------------|
| Sonali Bank Limited | CC(Hypo) | 100.00 | 97.80 | blr ST-3 |

*blr- bank loan rating

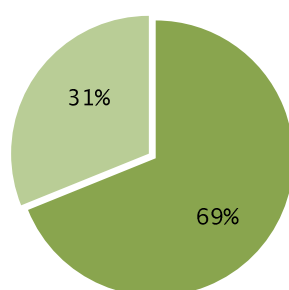
Financial Based Un-Audited financial statements up to 30th June for 2022, 2021, and 2020.

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

Key Snapshot:

| Particulars | Tk. in Million | |
|-----------------------------|----------------|--------|
| | 2022 | 2021 |
| Revenue | 335.24 | 234.67 |
| EBIT | 58.43 | 38.46 |
| Net Profit | 53.64 | 37.55 |
| Total Assets | 252.90 | 250.45 |
| Total Equity | 174.20 | 191.75 |
| Debt | 109.32 | 115.55 |
| Gross Profit Margin (%) | 20.00 | 20.00 |
| Net Profit Margin (%) | 16.00 | 16.00 |
| Debt to Equity Ratio (X) | 0.45 | 0.30 |
| Interest Coverage Ratio (X) | 13.47 | 77.76 |

Capital Structure



■ Equity ■ Debt

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RATING RATIONALE

WCRCL has reaffirmed the long term rating to 'BBB+' (pronounced as Triple B Plus) and the short term rating to 'ST 3' (pronounced as Short Term Three) to **QVC BD Limited** (hereinafter referred to as 'QVC' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has also reaffirmed 'blr ST 3' (pronounced as bank loan rating Short Term Three) rating to the total short term loan limit of Tk. 100.00 million.

The above ratings have been assigned based on first moving advantage, MOU with Runner Automobiles Limited and Uttara Motors Limited, good security coverage, low levered concern, increasing business trends, healthy coverage position, and regular loan repayment history. However, the above factors are constrained to some extent by no insurance policy, overall poor profitability ratios, tight liquidity position and insufficient disclosure in the financial statements.

The long term rating implies the company has moderate credit quality. The short term rating implies that the company has an acceptable ability to meet short term financial commitments.

WCRCL also viewed the company with "Stable" outlook and believes that QVC 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.