

3rd SURVEILLANCE CREDIT RATING REPORT AKRAM BUILDERS



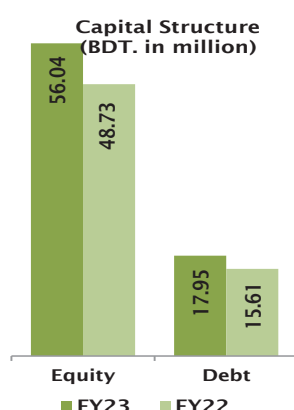
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Key Snapshot:

BDT. in million		
Particulars	FY23	FY22
Revenue	252.11	219.23
EBIT	22.90	19.91
Net Profit	21.62	18.80
Total Assets	73.99	64.34
Total Equity	56.04	48.73
Debt	17.95	15.61
Net Profit Margin (%)	8.6	8.6
CCC (Days)	99	106
ICR (X)	24.52	24.52



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 December 2023	27 December 2024

Financial Based on- Management prepared financial statements up to 30th June 2023.

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 and Medium Enterprise Three) rating under the SME Rating to Akram Builders (hereinafter referred as "AB" 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
- Good business network
- Good interest coverage position
- Low levered capital structure
- Good mortgage security coverage against loan

However, the above rating has been moderated to some extent due to some factors like:

- No disclosure of financial statements
- Tight liquidity position
- Inventory holding risk
- Manual accounting system

The SME rating implies that the enterprise is adjudged to above average credit quality.

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