

3rd SURVEILLANCE CREDIT RATING REPORT LUCKY ENTERPRISE



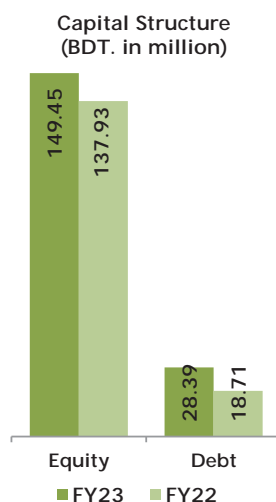
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Key Snapshot:

BDT. In million		
Particulars	FY23	FY22
Revenue	185.05	180.02
EBIT	12.55	11.88
Net Profit	11.53	10.08
Total Assets	177.84	156.64
Total Equity	149.45	137.93
Debt	28.39	18.71
Net Profit Margin (%)	6.2	5.6
CCC (Days)	124	92
ICR (X)	12.62	6.69



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	05 December 2023	20 December 2024

BDT. In million				
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank PLC	CC(H)	35.00	24.46	04.12.2023

Financial Based on- Audited 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 Lucky Enterprise (hereinafter referred as "LE" 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 business experiences of the proprietor in the business
- Good business network
- Owned business premises
- Low levered capital structure
- Good interest coverage
- Satisfactory banking relationship

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

- Average disclosure in the financial statements
- Tight liquidity position considering long cash conversion cycle
- Inventory holding risk
- No insurance coverage
- 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 LE 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.