

1<sup>st</sup> SURVEILLANCE CREDIT RATING REPORT  
A.S ENTERPRISE



Ref. no.: CRAR-12728/2024

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	18 January 2024	17 January 2025

*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 A.S Enterprise (hereinafter referred as "ASE" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

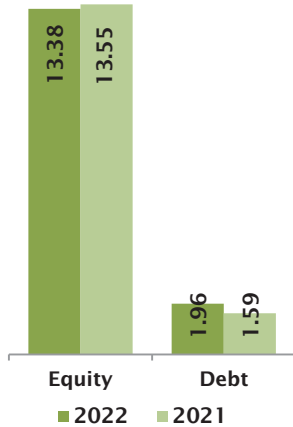
Key Snapshot:

Particulars	BDT. in million	
	2022	2021
Revenue	35.78	34.08
EBIT	3.23	2.90
Net Profit	3.23	2.90
Total Assets	15.33	15.14
Total Equity	13.38	13.55
Total debt	1.96	1.59
Net Profit Margin (%)	9.0	8.5
CCC (Days)	72	85
ICR (X)	933	5,128

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Owned business premises and storage facility
- Good Profitability margin
- Low levered capital structure
- Good liquidity position
- Good interest coverage position
- Satisfactory banking relationship
- Good mortgage security coverage against loan

Capital Structure (BDT. in million)



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

- No disclosure in the financial statements
- Long cash conversion cycle
- No insurance coverage for the inventory in stock
- Manual accounting system

The SME rating implies that the enterprise has **above average credit quality**.

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