

1st SURVEILLANCE CREDIT RATING REPORT ADVENTURE SHIPBUILDERS LIMITED

Ref. no.: CRA/9859/2023



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 December 2023	27 December 2024

*Financial Based on- Audited financial statement up to 30th June 2022, 2021, and 2020.
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 **Adventure Shipbuilders Limited** (hereinafter referred to as 'ASBL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

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

- Wide business network with diversified services
- Skilled and proactive management
- Increasing business trends

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

- Stressed liquidity position considering long cash conversion cycle
- Highly levered capital structure
- Low interest coverage ratio
- Poor banking relationship
- Low management information system (MIS)

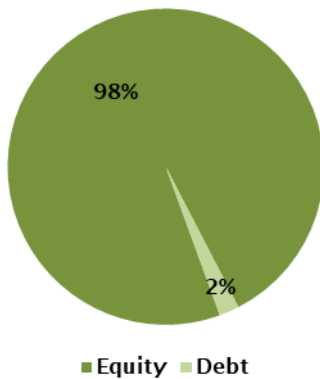
The SME rating implies that the enterprise has adjudged to average ability to meet short term financial commitments.

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

Key Snapshot:

Particulars	Tk. in million	
	FY2021	FY2022
Revenue	115.00	139.50
EBIT	8.17	13.65
Net Profit	1.41	1.42
Total Assets	203.71	161.43
Total Equity	15.88	17.30
Debt	188.26	127.88
Net Profit Margin (%)	1.2%	1.02
CCC (Days)	210	314
ICR (X)	1.35	1.20

Capital Structure
(BDT. in million)



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