

7th SURVEILLANCE CREDIT RATING REPORT AREFIN ENTERPRISE

Ref. no.: CRAR-991/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	26 December 2023	22 December 2024

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding amount as on 18.12.2023
Islami Bank Bangladesh PLC	Composite Limit	11.00	6.88

Financial Based on- Submitted management prepared financial statements up to 31st December 2022.

Key Snapshot:

BDT. In Million

Particulars	2022	2021
Revenue	131.16	121.44
EBIT	14.24	10.57
Net Profit	12.85	9.72
Total Assets	107.69	102.92
Total Equity	96.52	94.45
Debt	11.16	8.46
Net Profit Margin (%)	9.8	8.0
CCC (Days)	189	189
ICR (X)	19.11	42.80

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 Arefin Enterprise (hereinafter referred to as 'AE' 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 experienced and skilled management, owned business premises and storage facility, satisfactory banking relationship, comfortable business network, good interest coverage position and low levered capital structure.

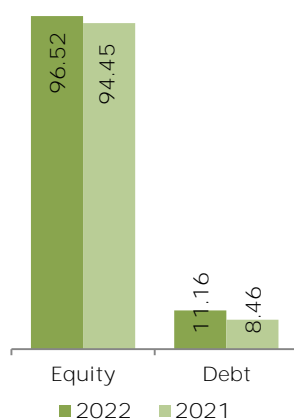
However, the above factors are constrained to some extent by Insufficient lack of disclosure in the financial statements, tight liquidity position with long cash conversion cycle and low management information system (MIS) and Manual accounting system in the business.

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

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

Capital Structure
(BDT. in million)



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