

5th SURVEILLANCE CREDIT RATING REPORT DIGITAL PLATFORM

Ref. no.: CRAR-4445/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	23 November 2023	17 December 2024

Bank Name	Mode of Investment	Limit Amount	Outstanding as on 09.11.2023
Mercantile Bank PLC	Working Capital	7.00	6.99

BDT. In Million

Key Snapshot:

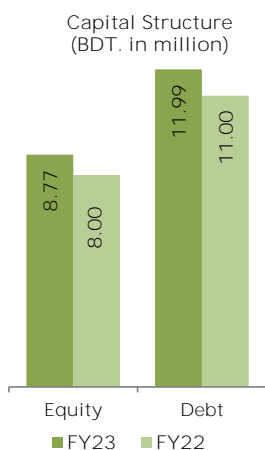
Particulars	Tk. in million	
	FY23	FY22
Revenue	55.20	48.00
EBIT	5.84	5.00
Net Profit	5.08	4.30
Total Assets	20.76	19.00
Total Equity	8.77	8.00
Debt	11.99	11.00
Net Profit Margin (%)	9.2	9.0
CCC (Days)	95	104
ICR (X)	8.84	8.33

Financial Based on- *Management prepared financial statements up to 30th June FY23.*

Methodology: *SME Rating Methodology published on the WCRCL website at www.wasocreditrating.com.*

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' rating (pronounced as WASO Credit Rating Small and Medium Enterprise Three) to Digital Platform (hereinafter referred to as 'DP' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.



The above rating has been assigned based on the fundamentals of the enterprise which includes; sole dealership of Jamuna electronics, growing nature of business, good coverage position, location advantage of the business, regular loan repayment history and own showroom and warehouse. However, the above factors are tight liquidity position considering long cash conversion cycle, high gearing in the capital structure and lack of disclosure in the financial statements in the business.

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

WCRCL also viewed the enterprise with "Stable" outlook and believes that DP will be able to maintain its good fundamentals in the foreseeable future.

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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.