

QIO PROFILE OF CRAFTSMAN FOOTWEAR & ACCESSORIES LIMITED
Key Particulars of the QIO

Ticker	CRAFTSMAN
Issue Date of Prospectus	March 04, 2024
Subscription Open	April 21, 2024
Subscription Close	April 25, 2024
Minimum Subscription Amount	BDT 2,00,000 or its multiple
Maximum Subscription Amount	BDT 2,500,000 or its multiple
Authorized Capital (BDT)	1,000,000,000
Pre-QIO Paid-up Capital (BDT)	230,000,000
QIO Size in BDT	50,000,000
Post QIO Paid-up Capital (BDT)	280,000,000
Face Value (BDT)	10
No. of Pre-QIO Share	23,000,000
No. of QIO Share (QIO)	5,000,000
No. of Post-QIO Share	28,000,000
No. of Free Float Shares on Debut	5,000,000
EPS (as of June 30, 2023)	2.35
NAVPs (as of June 30, 2023)	16.72
5 years Weighted Average EPS	1.22

Company Overview

Craftsman Footwear & Accessories Ltd was incorporated on May 24th, 2017 as a private limited Company subsequently changed to a public limited company on June 26th, 2021. The company is involved in the production of different types of leather goods, crafts and footwear. It has no subsidiary or holding company. The Chairman of the company, Mrs. Rezina Begum has completed PhD and MPhil from Dhaka University. The company is an export driven business while they also sell locally. It operates two factories in separate facilities. Unit 1 sells footwear products and accessories locally through retail outlets, while Unit 2 manufactures goods for export. Its head office is located at New Eskaton, Moghbazar, Dhaka with 750 employees in total. The company mainly exports its leather products to Italy, Japan, USA, Germany, Czech Republic, Canada, Hungary, Austria, Poland, Romania and Spain. The company imports leather from different regions of Asia and includes technical assistance from Italy, Germany and China in terms of designing products.

Name of Sponsors and Directors and Key Personnel

Name	Position	Post QIO %
Ms. Rezina Begum	Chairman	2.00%
Sadat Hossain Salim	Managing Director	24.54%
Mahe Alam	Director	6.96%
Dr. Md. Zahirul Islam	Director	2.68%
Dr. Abu Syed Titu	Director	2.68%
Ms Sara Hossain	Director	2.00%
Ms. Rumana Begum	Director	2.00%
Sabrina Zaman	Director	2.00%
Other Shareholders		37.29%
Total		82.14%

Capacity

Particulars	Quantity in Pairs
Existing Capacity	1,716,000
Projected Capacity	2,262,000
Projected Capacity Growth	31.82%

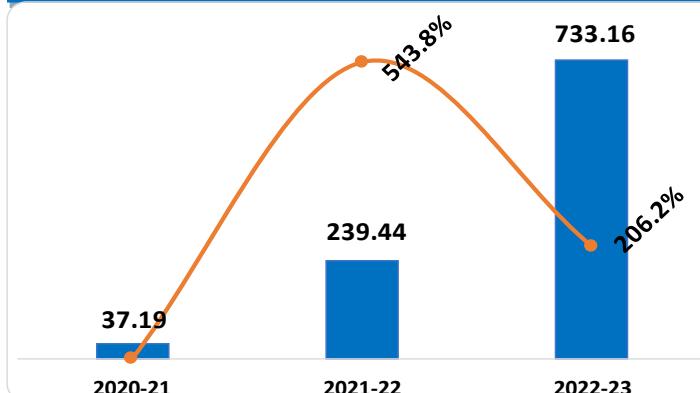
Major Products & Services of the Company:

- Footwear- Slippers, loafers, high ankle boots,,
- Leather goods,,
- Crafts

Capital Raising History

Allotment	Face Value	Mode of Allotment (No. of share)		Amount in BDT
		In Cash	Other than Cash	
Subscription to the Memorandum & Articles of Association at the time	100	100,000	-	10,000,000
28.05.2021	10	6,094,040	2,905,960	90,000,000
24.11.2021	10	5,000,000	-	50,000,000
23.05.2022	10	3,100,000	-	31,000,000
26.06.2023	10	4,900,000	-	49,000,000
Total				230,000,000

Revenue & Revenue Growth (BDT Mn)



Financing of QIO Fund

Particulars	%	No. of Ordinary Shares	Offer Price	Issue Amount (Taka)
Qualified Investors (QI)	100	5,000,000	10	50,000,000

Use of the Proceeds of QIO

Particulars	Amount (BDT)	%
BMRE (Balancing, Modernization, Rehabilitation, and Expansion)	20,000,000	40.00%
Repayment of Bank Loan	10,000,000	20.00%
Working Capital Management	15,480,207	30.96%
IQIO Expense	4,519,793	9.04%
Total	50,000,000	100%

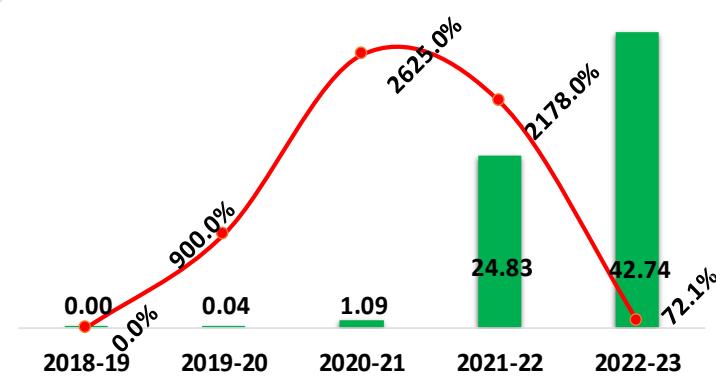
Implication Schedule of QIO Proceeds

Particulars	Approximate Date of Completion
BMRE (Balancing, Modernization, Rehabilitation & Expansion)	Within 2 years of receiving the IQIO FUND
Repayment of Bank Loan	Within 6 months of receiving the IQIO Fund
Working Capital Management	Within 6 months of receiving the IQIO Fund
IQIO Expenses	Within 30 days of receiving the IQIO Fund

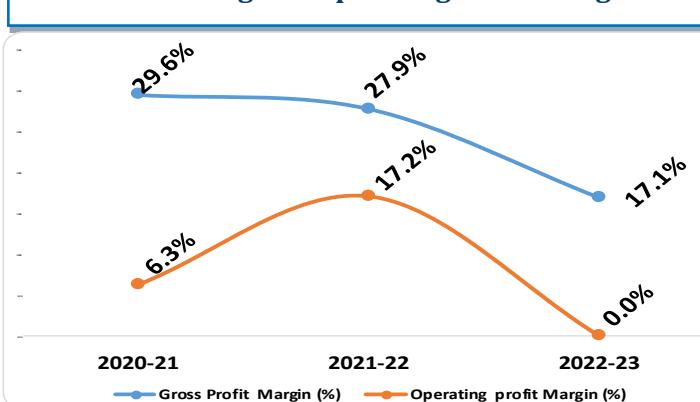
Financial Indicators

Ratio	2018-19	2019-20	2020-21	2021-22	2022-23
ROA	0.00%	0.01%	0.25%	4.06%	5.15%
ROE	0.02%	0.10%	1.51%	16.89%	17.18%
Gross Profit Margin	N/A	N/A	29.61%	27.89%	17.06%
Operating Profit Margin	N/A	N/A	6.34%	17.18%	0.02%
Net Profit Margin	N/A	N/A	2.92%	10.37%	5.83%
Debt Equity (times)	N/A	6.76	3.66	2.65	1.87
EPS	0.00	0.04	0.11	1.91	2.35

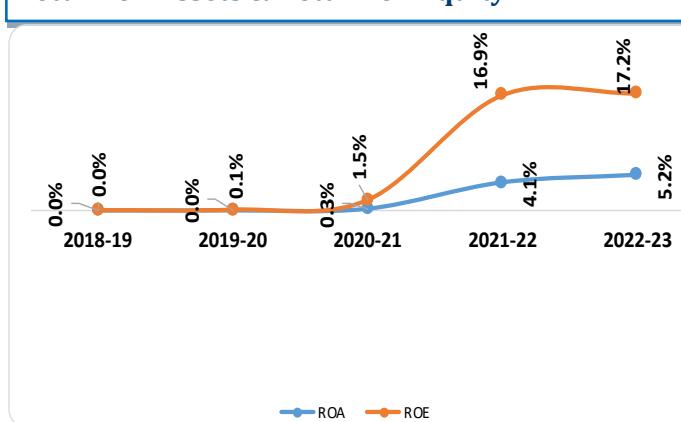
NPAT & NPAT Growth (BDT Mn)



Gross Profit Margin & Operating Profit Margin



Return on Assets & Return on Equity



Lock in of Shares

Period	No. of Lock In Share	% of lock in Share
2 Years	15,956,640	56.99%
1 Year	7,043,360	25.15%
Total	23,000,000	82.1%

Key Observations

- Post QIO total shareholding percentage for the sponsors and directors of Craftsman Footwear & Accessories Ltd. would stand at **82.1%**.
- In June 2023, sales revenue surged by 206.19% compared to July 2022. This growth was driven by substantial orders and increased customer recognition of product quality. Additionally, a significant portion of the revenue came from exports, which was further boosted by the devaluation of the Bangladeshi Taka (BDT) against the US Dollar (USD).
- Although the cost of goods sold experienced a substantial increase of 252.16% compared to July 2022, NPAT still rose by 72.1% due to increased sales and global demand.
- Local sales revenue contributes to a marginal 3% of the total net sales as almost 100% of its revenue comes from export. As of 2023, its total net revenue amounted to 733.16 mn.
- The company's debt to equity ratio has been gradually decreasing over the last four years, amounting to 1.87 in June 2023.
- The Company's ROE jumped substantially from 1.5% in 2021 to 17.2% in 2023. Similarly its ROA is also at a rising trend during this period from 0.3% to 5.2%.
- The company has not dispersed any cash or stock-dividend in the last 5 years

Dividends Declaration

Year	2023	2022	2021	2020
Cash Dividend	Nil	Nil	Nil	Nil
Stock Dividend	Nil	Nil	Nil	Nil

Price relative to Different Prices

Price	10	15	20	25	30	35
PE	4.26	6.38	8.51	10.64	12.77	14.89

Other QIO Details
Year End: June

Issue Managers: Green Delta Capital Limited

Auditor: G. KIBRIA & CO.

Disclaimer

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PE relative to Other Companies

Market PE	12.75
Sectoral PE (Tannery)	25.60
APEXFOOT	36.80
BATASHOE	23.81
MKFOOTWEAR	49.63

CRAFTSMAN is on SME Platform*