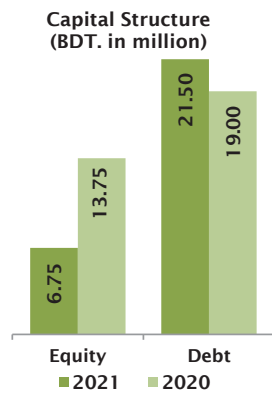


Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	2
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	5

Key Snapshot:

Particulars	BDT. in million	
	2021	2020
Revenue	29.00	49.00
EBIT	5.20	10.20
Net Profit	2.83	8.25
Total Assets	28.25	32.75
Total Equity	6.75	13.75
Total debt	21.50	19.00
Net Profit Margin (%)	9.7%	16.8%
CCC (Days)	346	230
ICR (X)	2.27	5.44



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	29 August 2022	28 August 2023

WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

RATING RATIONALE

WCRCL has assigned ‘WCRSE 4’ (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to Mohammadia Bakery (hereinafter referred as “MB” 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 the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Owned business premises and storage facility
- Good business network
- Good interest coverage position

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

- Tight liquidity position with long cash conversion cycle
- Highly levered capital structure
- No insurance coverage
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to average level of credit worthiness in relation to other small enterprises.

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