

SURVEILLANCE CREDIT RATING REPORT MOU FASHION CORNER

Ref. no.: FR/2022/26521



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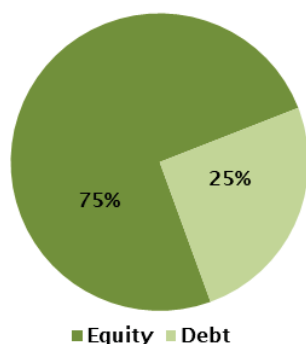
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Key Snapshot:

BDT. in million

Particulars	2021
Revenue	48.00
EBIT	4.85
Net Profit	4.43
Total Assets	19.10
Total Equity	14.24
Debt	4.85
Net Profit Margin (%)	9.2%
CCC (Days)	82
ICR (X)	11.49

**Capital Structure
(BDT. in million)**



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	06 November 2022	18 October 2023

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Financial Based on-Management prepared financial statements of 31st December 2021.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Mou Fashion Corner (hereinafter referred as "MFC" 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
- Good business network
- Low levered capital structure
- Good interest coverage position
- Satisfactory banking relationship

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

- Lack of disclosure of financial statements
- Inventory holding risk
- Tight liquidity position considering long cash conversion cycle
- Low management information system (MIS) and Manual accounting system

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

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