

SURVEILLANCE CREDIT RATING REPORT CHAINA MOBILE BAZAR

Ref. no.: FR/2023/31964

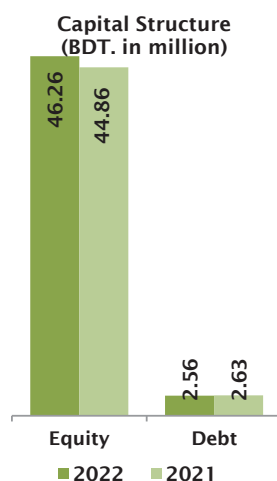


Report Contents:

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

Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	334.91	318.96
EBIT	4.91	3.77
Net Profit	4.02	2.90
Total Assets	48.82	47.48
Total Equity	46.26	44.86
Total debt	2.56	2.63
Net Profit Margin (%)	1.2%	0.9%
CCC (Days)	31	32
ICR (X)	32.69	22.52



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	11 June 2024

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

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 Chaina Mobile Bazar (hereinafter referred as "CMB" 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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Good interest coverage position
- Low levered capital structure
- Liquidity position was good evident by short cash conversion cycle

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

- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system
- Insurance Coverage
- Rented business premises and storage facility

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 CMB will be able to maintain its good fundamentals in the foreseeable future.