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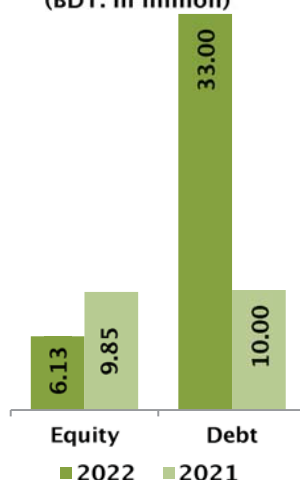
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Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	180.00	159.21
EBIT	19.00	16.17
Net Profit	16.20	15.92
Total Assets	39.13	19.85
Total Equity	6.13	9.85
Total debt	33.00	10.00
Net Profit Margin (%)	9.0%	10.0%
CCC (Days)	12.39	n/a
ICR (X)	19.00	65.05

Capital Structure
(BDT. in million)



Analysts:

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SME Rating	WCRSME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	22 August 2023	21 August 2024

Financial Based on—Management Prepare financial statement as on 30 June 2022.

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

RATING RATIONALE

WCRCL has reaffirmed **‘WCRSME3’** (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to **Mollah Steel** (hereinafter referred as MS” 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 team
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good interest coverage position
- Moderate levered capital structure

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

- Moderated liquidity position with long cash conversion cycle
- Moderated disclosure of financial statements
- Rented business premises and storage facility

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

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