

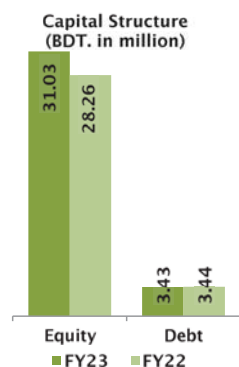
## Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	3
Financial Position Analysis	4
Banking Relationship	5
Risk Factor Analysis	5
Rating Observation	6

## Key Snapshot:

BDT. in million

Particulars	FY23	FY22
Revenue	33.28	34.14
EBIT	2.01	1.96
Net Profit	0.46	0.48
Total Assets	34.45	31.70
Total Equity	31.03	28.26
Total debt	3.43	3.44
Net Profit Margin (%)	1.4	1.4
CCC (Days)	334	307
ICR (X)	1.46	1.48



## Analysts:

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	05 September 2023	04 September 2024

*Methodology:* SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Muchee Limited (hereinafter referred as "ML" or "The Company") 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 Company which includes:

- Long business experience of the proprietor in the business
- Good business network
- Low levered capital structure
- Satisfactory banking relationship
- Good mortgage security coverage against loan

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

- Tight liquidity position considering long cash conversion cycle
- No insurance coverage for the inventory in stock
- Manual accounting system

The SME rating implies that the Company has above average credit quality.

WCRCL also viewed the Company with "Stable" outlook and believes that ML 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.