

CREDIT RATING REPORT MUSLIM BANGLA



Ref. no.: FR/2023/32395

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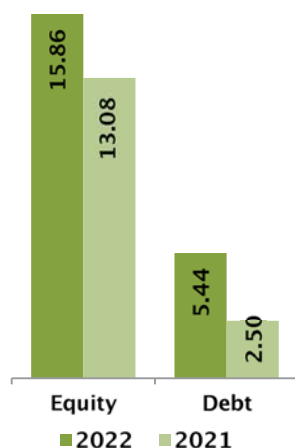
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	35.09	27.01
EBIT	2.98	1.71
Net Profit	2.72	1.56
Total Assets	21.30	15.58
Total Equity	15.86	13.08
Total debt	5.44	2.50
Net Profit Margin (%)	7.8%	5.8%
CCC (Days)	102	125
ICR (X)	15.21	12.68

Capital Structure
(BDT. in million)



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SME Rating	WCRSME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	04 July 2023	03 July 2024

WCRSME3 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 **'WCRSME3'** (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to Muslim Bangla (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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- 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
- Low disclosure of financial statements
- High levered capital structure
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to above average credit quality to other small & medium enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that KB 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.