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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	08 August 2023	07 August 2024

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 And Medium Enterprise Three) rating under the SME Rating to Pavel Bricks-1 (hereinafter referred as "PB1" 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
- Good Profitability margin
- Low levered capital structure
- Comfortable interest coverage position
- Satisfactory banking relationship
- Good mortgage security coverage against loan

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

- Low disclosure in the financial statements.
- Tight liquidity position considering long cash conversion cycle
- Manual accounting system

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

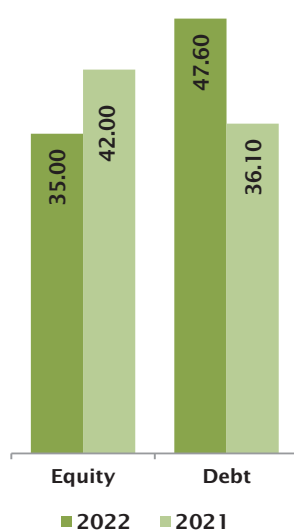
WCRCL also viewed the enterprise with "Stable" outlook and believes that PB1 will be able to maintain its good fundamentals in the foreseeable future.

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 changes in any macro and micro factors in the economy.

Key Snapshot:

Particulars	2022	2021
Revenue	128.00	106.80
EBIT	22.51	20.78
Net Profit	18.01	17.75
Total Assets	82.60	78.10
Total Equity	35.00	42.00
Debt	47.60	36.10
Net Profit Margin (%)	14.1	16.6
CCC (Days)	184	208
ICR (X)	7.50	11.34

Capital Structure
(BDT. in million)



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