

**Report Contents:**

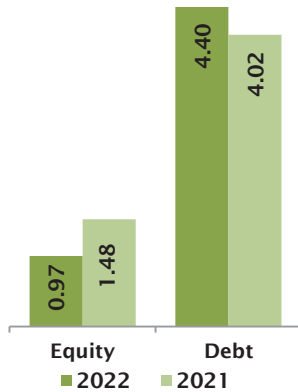
Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	2
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	5

**Key Snapshot:**

*BDT. in million*

Particulars	2022	2021
Revenue	8.63	7.50
EBIT	0.52	0.44
Net Profit	0.50	0.44
Total Assets	5.37	5.50
Total Equity	0.97	1.48
Debt	4.40	4.02
Net Profit Margin (%)	5.8	5.8
CCC (Days)	34	52
ICR (X)	32.71	n/a

**Capital Structure  
(BDT. in million)**



**Analysts:**

**Md. Rifat Ahmed**  
 rifat@wasocreditrating.com

**Md. Sazedul Islam**  
 sazedul@wasocreditrating.com

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	12 December 2023	11 December 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 Abdul Mabud & Sons (hereinafter referred as “AMS” 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
- Low levered capital structure
- Comfortable interest coverage position
- Good mortgage security coverage against loan
- Good business network

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

- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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

WCRCL also viewed the enterprise with “Stable” outlook and believes that AMS 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.