

8th SURVEILLANCE CREDIT RATING REPORT NETWORLD BANGLADESH LIMITED

Ref. no.: FR/2023/033402



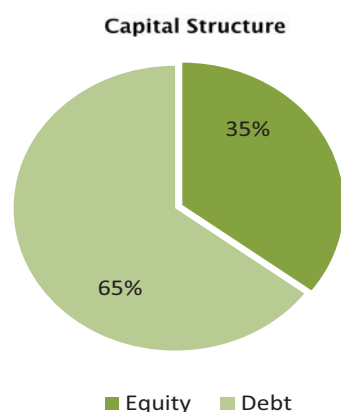
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Key Snapshot:

Tk. in million

Particulars	2022	2011
Revenue	181.76	183.26
COGS	101.61	114.66
PAT	30.77	21.12
Net Profit Margin (%)	16.93	11.52
Cash Conversion Cycle (days)	570	391
Debt to Equity (X)	1.83	1.88
ICR	9.42	4.81



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB+	ST 3	Stable	05 September 2023	18 July 2024

Tk. in Million

Bank Name	Mode of Investment	Sanction or Limit	Outstanding amount as on 30.06.2023	Bank Loan Rating
AB Bank Ltd.	od	15.00	0.00	blr ST 3
	Term Loan	85.00	87.82	
	Time Loan (Com)	100.00	87.07	

* blr-Bank Loan Rating

Financial Based on– Audited financial statements up to 30 June 2022, 2021, 2020.

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

RATING RATIONALE

WCRCL has reaffirmed 'BBB+' (pronounced as Triple B Plus) rating for the Long Term and assigned 'ST 3' (pronounced as Short Term Three) rating for Short Term to Networld Bangladesh Limited (hereinafter referred to as 'NBL' or 'The company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has also upgraded 'blr ST 3' (Pronounced as Bank Loan Rating Short Term Three) for short term loan limit.

The above ratings have been assigned based on the fundamentals of the company which include sponsors have good knowledge about their business, good payment history of loan, experience management team, renowned clients list, and increasing business trends. However, the above factors are constrained to operational bottleneck due to highly levered company, tight liquidity position with long cash conversion cycle, insufficient disclosure of financial statements, and lower profit margin.

The long term rating implies that the company has rated moderate credit quality. The short term rating implies that, the company has average ability to meet short term financial commitments.

WCRCL also viewed the company with "Stable" outlook and believes that NBL 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.