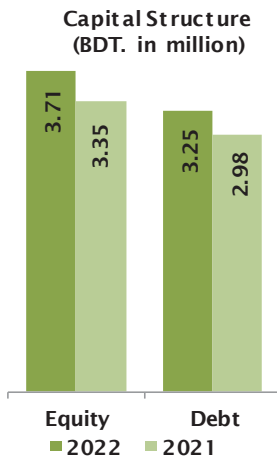


**Report Contents:**

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

**Key Snapshot:**

Particulars	BDT. in million	
	2022	2021
Revenue	20.36	17.70
EBIT	4.72	3.94
Net Profit	4.63	3.85
Total Assets	6.96	6.32
Total Equity	3.71	3.35
Total debt	3.25	2.98
Net Profit Margin (%)	22.8%	21.7%
CCC (Days)	117	128
ICR (X)	55.76	51.13



**Analysts:**

**Fatema Tuj Jahura Jhumu**  
jhumu@wasocreditrating.com

**Nazrul Islam**  
nazrul@wasocreditrating.com

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	24 January 2024	23 January 2025

*Financial Based on- unaudited financial statements up to 31 December 2022.*

*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 B. K. Board Mills (hereinafter referred as "BKBM" 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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good interest coverage position
- Low levered capital structure

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

- Average liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- No insurance coverage for the inventory in stock
- Manual accounting system

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

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