

2nd SURVEILLANCE CREDIT RATING REPORT
F.M.C. BRICKS

Ref. no.: CRAR-1998/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	26 December 2023	25 December 2024

Financial Based on- Audited financial statement up to 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 and Medium Enterprise Three) rating under the SME Rating for F.M.C. Bricks (hereinafter referred to as ‘FMCB’ or “The Enterprise”) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

Key Snapshot:

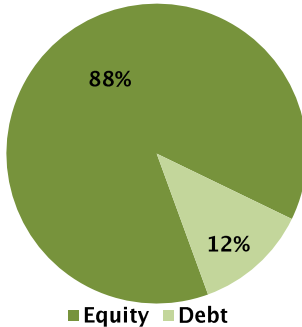
Tk. in million

Particulars	2022
Revenue	74.26
EBIT	13.12
Net Profit	12.52
Total Assets	54.36
Total Equity	47.70
Debt	6.67
Net Profit Margin (%)	16.9
CCC (Days)	162
ICR (X)	25.42

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Good business network
- Good Profitability margin
- Low levered capital structure
- Comfortable interest coverage position
- Satisfactory banking relationship
- Good mortgage security coverage against loan

Capital Structure (BDT. in million)



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

- No disclosure in the financial statements
- Tight liquidity position considering long cash conversion cycle
- No insurance coverage for the inventory in stock

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

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