

1st SURVEILLANCE CREDIT RATING REPORT
ISLAM OXYGEN LIMITED



Ref. no.: CRAR-11760/2023

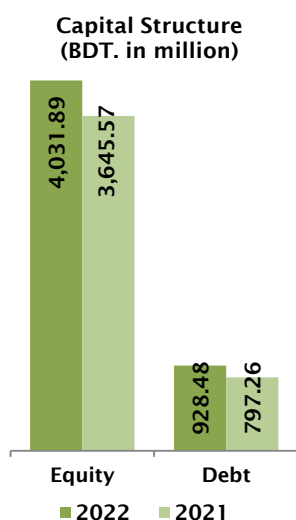
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Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	1,466	1,454
EBIT	565.52	582.11
Net Profit	384.68	414.84
Total Assets	4,960	4,442
Total Equity	4,031	3,645
Debt	928.48	797.26
Net Profit Margin (%)	26.2%	28.5%
CCC (Days)	160.27	102.34
ICR (X)	26.19	24.39
Revenue	1,466	1,454
EBIT	565.52	582.11
Net Profit	384.68	414.84
Total Assets	4,960	4,442
Total Equity	4,031	3,645



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	A	ST 3	Stable	25 October 2023	24 October 2024

Tk. in Million

Bank	Mode	Limit Amount	Outstanding Amount	Bank Loan Rating
Al-Arafah Islami Bank Limite (24.10.2023)	Bai-Muajjal	120.00	139.59	blr ST 3
	Stimulus	10.00	10.92	
Jamuna Bank Limited (24.10.2023)	SOD	4.00	3.99	blr ST 3
IDLC Finance Limited (03.10.2023)	Lease Finance	61.62	28.76	blr A
	HPSM (General)	66.00	61.74	
IFIL (24.10.2023)	Import Duty Reserve	10.00	1.55	blr ST 3
IPDC Finance Limited (30.06.2023)	Factoring	30.00	32.32	

** blr-Bank Loan Rating

Financial Based on-Audited financial statement up to 30 June 2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'A' (pronounced as Single A) rating for the Long Term and 'ST 3' (pronounced as Short Term Three) rating for Short Term to **Islam Oxygen Limited** (hereinafter referred to as 'IOL' 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 assigned "blr A" (pronounced as Bank Loan Rating Single A) rating to the long term loan outstanding and "blr ST 3" (pronounced as Bank Loan Rating Short Term Three) rating to the aggregated short term limit.

The above ratings have been assigned based on the fundamentals of the company which include experienced and proactive management, increased trend of revenue, established market position and stable customer profile which reflects healthy turnover, low levered in capital structure, good interest coverage position, positive CFO, presence of fire insurance policy, good infrastructural arrangement with state of art machineries, industrial area may endow with the location advantage.

However, the above factors are constrained to average disclosure in the financial statements, market saturation or high competition, stressed liquidity position considering long cash conversion cycle, volatile market price of the raw materials.

The long term rating implies that the company has Above Average 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 IOL 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 of the economy.