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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	31 October 2023	05 November 2024

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

RATING RATIONALE

WCRCL has reaffirmed ‘WCRSME4’ (pronounced as WASO Credit Rating Small and Medium Enterprise Four) rating under the SME Rating to Kashful (hereinafter referred as “Kashful” 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
- Good business network
- Sales revenue was in good trend
- Good interest coverage position
- Low levered capital structure

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

- Low disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- Expired trade license
- Overdue status in banking repayment behavior

The SME rating implies that the enterprise is adjudged to average credit quality.

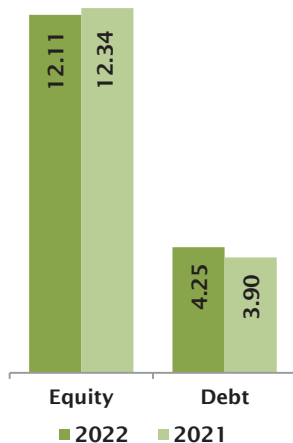
WCRCL also viewed the enterprise with “Stable” outlook and believes that Kashful will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor’s equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	41.17	35.80
EBIT	4.53	3.85
Net Profit	4.33	3.67
Total Assets	16.36	16.24
Total Equity	12.11	12.34
Total debt	4.25	3.90
Net Profit Margin (%)	10.5	10.2
CCC (Days)	79	86
ICR (X)	22.90	21.39

Capital Structure (BDT. in million)



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