

9th SURVEILLANCE CREDIT RATING REPORT
IMPRESS FASHION LIMITED

Ref. no.: CRAR-497/2023



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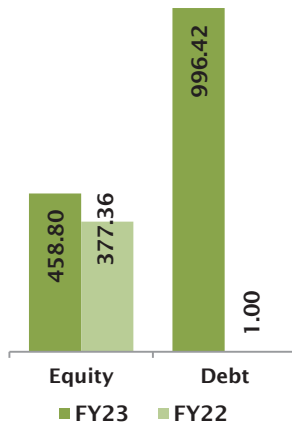
Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	A-	ST 3	Stable	26 December 2023	29 November 2024

Key Snapshot:

BDT. in million

Particulars	FY23	FY22
Revenue	3,477.7	3,306.8
EBIT	187.80	204.47
Net Profit	81.45	87.91
Total Assets	1,455.2	1,792.7
Total Equity	458.80	377.36
Debt	996.42	1,415.42
Net Profit Margin (%)	2.3%	2.7%
CCC (Days)	123	130
ICR (X)	2.91	2.08

Capital Structure
(BDT. in million)



Analysts:

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BDT. in Million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Bank Loan Rating
Mutual Trust Bank Limited (23.12.2023)	BBT LC	450.00	231.27	
	Acceptance			
	EDF Loan (inner)	(450.00)	-	
	PC	15.00	-	blr ST 3
	SOD	20.00	0.03	
	BG (Inner)	(20.00)	--	
	FDBP	20	--	
Shajalal Islami Bank PLC (28.11.2023)	HPSM (Machinery) (Rev.)	(40.00)	-	blr A-
	Murabaha Sight	50.00	2.50	
	BTB LC	1400.00	719.32	
	Bai-Salam (Rev.)	100.00		
	BMCTR (Rev.)	100.00		blr ST 3
	FDBP (Rev)	100.00		
	BG (Rev)	25.00	4.56	
Bai Salam (Salary)	400.00	402.80		

Financial Based on Audited financial statements up to 30 June 2023.

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

RATING RATIONALE

WCRCL has reaffirmed to A- (pronounced as single A minus) rating for the Long Term and ST 3 (pronounced as Short Term Three) rating for Short Term to Impress Fashion Limited (hereinafter referred to as 'IFL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL also upgraded to blr A- (pronounced as Bank Loan Rating single A minus) for total long term loan outstanding and 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 experienced management team, satisfactory health and safety measures, financial flexibility arising from Impress Group, established market position and stable customer profile which reflects healthy turnover and margins, production capacity has been enhanced, and good debt coverage position. However, the above factors are constrained to operational bottleneck due to stress liquidity position with long cash conversion cycle, highly levered capital structure and it is increasing trend, and lack of disclosure in the financial statements.

The long term rating implies that the entity is subject Moderately good credit quality. The short term rating implies that average ability to meet short term financial commitments.

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