

4th SURVEILLANCE CREDIT RATING REPORT BHA BHA ENTERPRISE

Ref. no.: FR/2022/028302



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| SME Rating | WCRSE/WCRME | Outlook | Date of Declaration | Date of Expiration |
|------------|-------------|---------|---------------------|--------------------|
| | WCRSE 3 | Stable | 27 December 2022 | 26 December 2023 |

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

| Name of the Bank | Mode of Investment | Sanctioned Amount | Outstanding Amount | Tk. In million Outstanding Date |
|--------------------------------|--------------------|-------------------|--------------------|------------------------------------|
| Islami Bank Bangladesh Limited | Bai-Murabaha TR | 5.00 | 0.87 | 21.12.20202 |

Key Snapshot:

Tk. in million

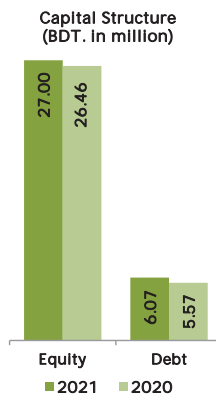
| Particulars | 2021 | FY20 |
|-----------------------|-------|-------|
| Revenue | 73.11 | 63.58 |
| EBIT | 4.59 | 3.91 |
| Net Profit | 4.46 | 3.80 |
| Total Assets | 33.07 | 32.03 |
| Total Equity | 27.00 | 26.46 |
| Debt | 6.07 | 5.57 |
| Net Profit Margin (%) | 6.1 | 6.0 |
| CCC (Days) | 82 | 80 |
| ICR (X) | 48.36 | 45.39 |

Financial Based on- Audited financial statements up to 31st December 2021.

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

RATING RATIONALE

WCRCL has upgrade 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Bhai Bhai Enterprise (hereinafter referred to as 'BBE' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.



The above ratings have been assigned based on the fundamentals of the enterprise which include good business network, long business experiences of the proprietor, low leverage position in the capital structure, good liquidity position considering high current assets, good interest coverage position, and comfortable security arrangement.

However, the above factors are constrained to some extent by average disclosure in the financial statement, tight liquidity position considering long cash conversion cycle, small scale in the business, market saturation or high competition, proprietorship concern has low legal obligation as an entity, no insurance coverage, and price volatility of trading products.

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The SME rating implies that the enterprise is adjudged to above average level of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that BBE will be able to maintain its good fundamentals in the foreseeable future.