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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Stable	07 May 2023	07 March 2024

WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093.

Tk. In Million			
Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 28.02.2023
Mercantile Bank Limited	CC(H)	3.50	3.45

Key Snapshot:

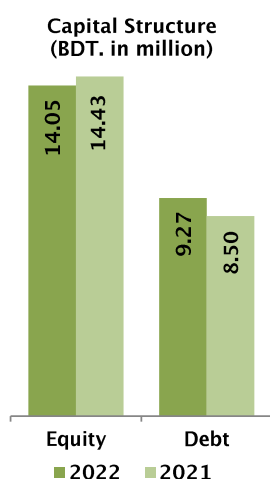
Tk. In Million		
Particulars	2022	2021
Revenue	43.13	37.50
EBIT	5.04	4.28
Net Profit	4.14	3.43
Total Assets	23.32	22.93
Total Equity	14.05	14.43
Debt	9.27	8.50
Net Profit Margin (%)	9.6	9.2
CCC (Days)	71	78
ICR (X)	8.81	8.23

Financial Based on- Management prepared financial statements for 31st December, 2019-2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating under the SME Rating to Al Hasan Traders (hereinafter referred to as 'AHT' 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 long business experiences of the proprietor, good business network, good banking relation, low leverage position in the capital structure and good interest coverage position in the business.

However, the above factors are constrained to some extent by no disclosure in the financial statement, inventory holding risk, tight liquidity position considering long cash conversion cycle, no insurance coverage, manual accounting process and high competition to the market.

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

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