

4th SURVEILLANCE CREDIT RATING REPORT JME TRADE LINK LIMITED

Ref. no.: FR/2023/31940



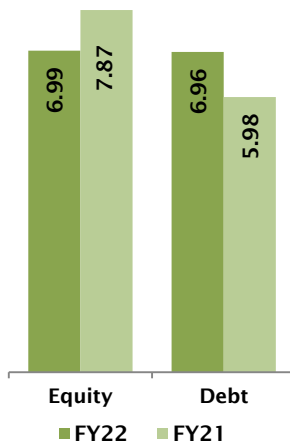
Report Contents:

Particulars	Page
Rating Rationale	1
Business Profile	2
Management	2
Market Review	3
Business Analysis	2
Financial Analysis	3
Banking Relationship	3
Risk Factor Analysis	4
Rating Observation	4

Key Snapshot:

Tk. in million		
Particulars	FY22	FY21
Revenue	1.82	11.75
EBIT	-0.36	0.72
Net Profit	-0.89	0.46
Total Assets	13.95	13.85
Total Equity	6.99	7.87
Debt	6.96	5.98
Net Profit Margin (%)	-48.7	3.9
CCC (Days)	2,447	n/a
ICR (X)	-0.70	10.50

Capital Structure
(BDT. in million)



Analysts:

Shudhan Mallick
shudhan@wasocreditrating.com

Md. Rafiul Bary
rafi@wasocreditrating.com

SME Rating	WCRSME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	04 July 2023	24 June 2024

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

Tk. in million				
Bank	Facilities	Limit Amount	Outstanding Amount	Outstanding Date
Islami Bank Bangladesh Ltd.	LC/Bills/MPI/Bai-Murabaha	8.50	5.62	12.06.2023

Financial Based on- Audited financial statements up to 30th June 2021.

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

RATING RATIONALE

WCRCL has reaffirmed **WCRSME 3** (Pronounced WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **JME Trade Link Limited** (hereinafter referred to as 'JMETLL' or 'The Company') 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 directors and management team
- Maintained sound relation with supplier, buyer and lender
- Good business network

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

- Poor profitability margin
- Poor interest coverage position
- Highly levered capital structure
- Tight liquidity position with long cash conversion cycle
- Average disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the company is adjudged to above average f credit quality to other small and medium enterprises.

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