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| SME Rating | WCRSE/WCRME | Outlook | Date of Declaration | Date of Expiration |
|------------|-------------|---------|---------------------|--------------------|
| | WCRSE 3 | Stable | 28 March 2023 | 27 March 2024 |

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

| Bank Name | Mode of Investment | Sanctioned Amount | Outstanding Amount | Date of Outstanding |
|---------------------|--------------------|-------------------|--------------------|---------------------|
| Uttara Bank Limited | CC (H) | 4.50 | 4.46 | 09.03.2023 |

BDT. in million

Financial Based on-unaudited financial statements up to 31st December 2022.

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

Key Snapshot:

BDT. in million

| Particulars | 2021 | 2022 |
|-----------------------|-------|-------|
| Sales | 32.09 | 45.70 |
| EBIT | 4.48 | 6.95 |
| Net Profit | 4.27 | 6.40 |
| Total Assets | 15.18 | 21.23 |
| Total Equity | 12.68 | 15.43 |
| Total debt | 2.51 | 5.81 |
| Net Profit Margin (%) | 13.3 | 14.0 |
| CCC (Days) | 149 | 136 |
| ICR (X) | 20.82 | 12.63 |

RATING RATIONALE

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

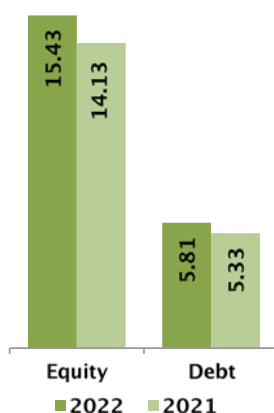
The above rating has been reaffirmed based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Owned business premises and storage facility
- Good mortgage security coverage against loan
- 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
- Low management information system (MIS) and Manual accounting system
- High Cash Conversion Cycle

Capital Structure
(BDT. in million)



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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 KS will be able to maintain its good fundamentals in the foreseeable future.