

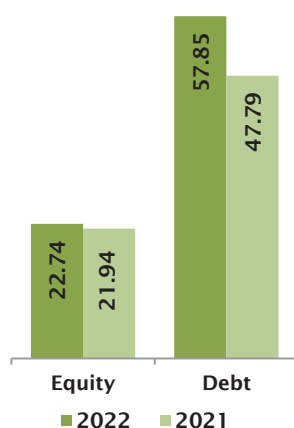
Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Market Review	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	5
Rating Observation	5

Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	47.76	36.50
EBIT	6.92	6.53
Net Profit	5.15	4.98
Total Assets	80.59	69.73
Total Equity	22.74	21.94
Total debt	57.85	47.79
Net Profit Margin (%)	10.8%	13.7%
CCC (Days)	-2	-3
ICR (X)	4.47	4.94

Capital Structure
(BDT. in million)



Analysts:

Sazedul Islam
 sazedul@wasocreditrating.com

Ummay Fatema
 fatema@wasocreditrating.com

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	22 August 2023	21 August 2024

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME4' (pronounced as WASO Credit Rating Small and Medium Enterprise Four) rating under the SME Rating to **Abdul Hai Traders** (hereinafter referred as "AHT" 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 assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Regular loan repayment history
- Owned business premises and storage facility
- Liquidity position was good evident by short cash conversion cycle
- Good interest coverage position

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

- Highly levered capital structure
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise has average credit quality. WCRCL also viewed the enterprise with "Stable" outlook and believes that **AHT** 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.