

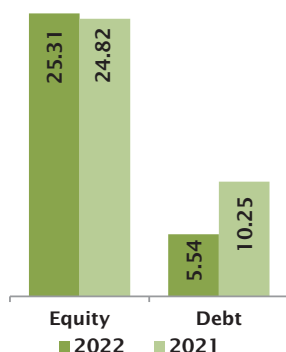
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Key Snapshot:

| BDT. in million | | |
|-----------------------|-------|-------|
| Particulars | 2022 | 2021 |
| Revenue | 25.02 | 24.00 |
| EBIT | 6.86 | 1.62 |
| Net Profit | 6.43 | 0.67 |
| Total Assets | 30.85 | 35.00 |
| Total Equity | 25.31 | 24.82 |
| Total debt | 5.54 | 10.25 |
| Net Profit Margin (%) | 25.7% | 2.8% |
| CCC (Days) | 266 | 214 |
| ICR (X) | 15.95 | 1.84 |

Capital Structure
(BDT. in million)



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

Financial Based on unaudited financial statements up to 2022.

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 Arefin Foundry & Agro Engineering (hereinafter referred as "AFAE" 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:

- Owned business premises
- Satisfactory banking relationship
- Good business network
- Good Net Worth of the Proprietor
- Low levered capital structure
- Good liquidity position

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

The SME rating implies that the Enterprise has Average Credit Quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that AFAE 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.