

Report Contents:

| Particulars | Page |
|-----------------------------|------|
| Rating Rationale | 1 |
| Entity Profile | 2 |
| Allied Concern | 2 |
| Business Management | 2 |
| Market Review | 2 |
| Business Analysis | 3 |
| Financial Position Analysis | 4 |
| Banking Relationship | 5 |
| Risk Factor Analysis | 5 |
| Rating Observation | 6 |

| SME Rating | WCRSE/WCRME | Outlook | Date of Declaration | Date of Expiration |
|------------|-------------|---------|---------------------|--------------------|
| | WCRSME3 | Stable | 04 July 2023 | 03 July 2024 |

WCRSME3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

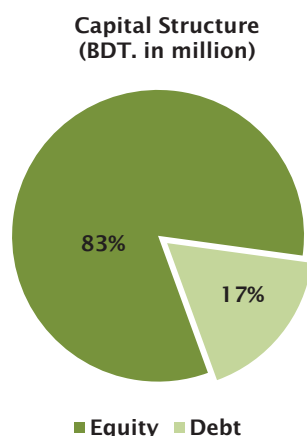
| Bank Name | Mode of Investment | Sanctioned Amount | Outstanding Amount | Tk. in million Date of Outstanding |
|---------------------|--------------------|-------------------|--------------------|---------------------------------------|
| Uttara Bank Limited | CC (H) | 14.00 | 12.88 | 03.07.2023 |

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

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

Key Snapshot:

| Particulars | Tk. in million 2022 |
|-----------------------|------------------------|
| Revenue | 119.26 |
| EBIT | 11.24 |
| Net Profit | 7.94 |
| Total Assets | 56.44 |
| Total Equity | 46.69 |
| Debt | 9.75 |
| Net Profit Margin (%) | 6.7% |
| CCC (Days) | 88 |
| ICR (X) | 4.41 |



RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Jiaul Traders (hereinafter referred as "JT" 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
- Satisfactory banking relationship
- Good business network
- Good Net Worth of the Proprietor
- Good interest coverage position
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system
- Rented business premises

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

Analysts:

Md. Rafiul Bary
rafi@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com

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.