

1ST SURVEILLANCE CREDIT RATING REPORT JIHAAD AND JAWAD TRADERS



Ref. no.: FR/2023/033618

Report Contents:

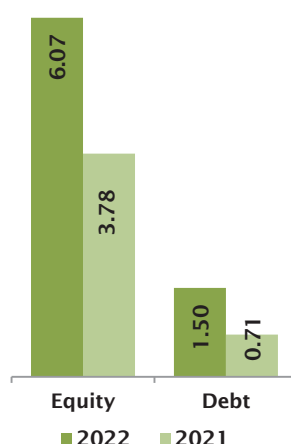
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	10.50	9.51
EBIT	0.95	0.53
Net Profit	0.84	0.53
Total Assets	7.38	4.30
Total Equity	6.07	3.78
Debt	1.50	0.71
Net Profit Margin (%)	8.0%	5.6%
CCC (Days)	113.73	83.51

Capital Structure
(BDT. in million)



SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 September 2023	18 September 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

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Jihaad and Jawad Traders (hereinafter referred as "JJT" 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
- Good business network
- 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.

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

Analysts:

Ummay Fatema
fatema@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com

WCRCL also viewed the Enterprise with "Stable" outlook and believes that SOL 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.