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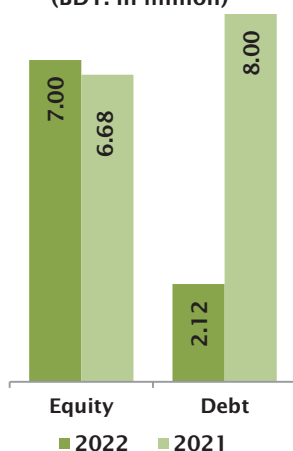
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Key Snapshot:

BDT. In Million

| Particulars | 2022 | 2021 |
|-----------------------|-------|-------|
| Revenue | 9.89 | 17.80 |
| EBIT | 2.42 | 1.68 |
| Net Profit | 2.32 | 1.55 |
| Total Assets | 9.12 | 14.68 |
| Total Equity | 7.00 | 6.68 |
| Debt | 2.12 | 8.00 |
| Net Profit Margin (%) | 23.5 | 8.7 |
| CCC (Days) | 204 | 141 |
| ICR (X) | 29.15 | 12.44 |

Capital Structure
(BDT. in million)



Analysts:

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| SME Rating | WCRSE/WCRME | Outlook | Date of Declaration | Date of Expiration |
|------------|-------------|---------|---------------------|--------------------|
| | WCRSE 3 | Stable | 12 June 2023 | 11 June 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

BDT. In million

| Bank Name | Mode of Investment | Sanctioned Amount | Outstanding Amount | Date of Outstanding |
|---------------------|--------------------|-------------------|--------------------|---------------------|
| Uttara Bank Limited | CC (H) | 2.50 | 2.50 | 31.05.2023 |

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

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Kalam & Brothers (hereinafter referred as "KB" 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:

- Long business experience of the proprietor
- Good business network
- Low levered capital structure
- Good interest coverage position
- Satisfactory banking relationship
- Good mortgage security coverage against loan

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

- Low disclosure of financial statements
- Tight liquidity position considering long cash conversion cycle
- No insurance coverage
- Manual accounting system

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 KB 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.