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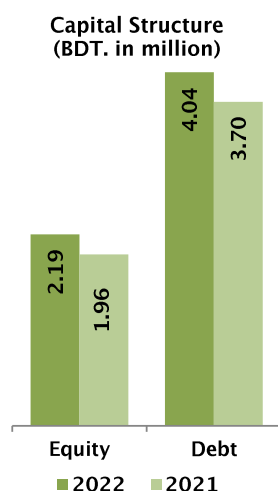
SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	17 October 2023	16 October 2024

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

Key Snapshot:

Particulars	BDT. in million	
	2022	2021
Revenue	78.29	68.08
EBIT	2.95	2.51
Net Profit	2.26	1.88
Total Assets	6.23	5.66
Total Equity	2.19	1.96
Debt	4.04	3.70
Net Profit Margin (%)	2.9%	2.8%
CCC (Days)	22	24
ICR (X)	4.33	4.05



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RATING RATIONALE

WCRCL has downgraded 'WCRSME4' (pronounced as WASO Credit Rating Small & Medium Enterprise four) rating under the SME Rating to **Al Arafah Traders** (hereinafter referred to as 'AAT' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above ratings have been assigned based on the fundamentals of the enterprise which include long business experiences of the proprietor, good business network, low leverage position in the capital structure, good liquidity position, good interest coverage position and good security arrangement. However, the above factors are constrained to some extent by no disclosure in the financial statement, inventory holding risk, manual accounting process and high competition in the business, no insurance coverage, and rating may downgrade if the enterprise fails to improve its banking conduct in future.

The SME rating implies that the enterprise is adjudged to **average** credit quality.

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