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Bank Loan Rating	Short Term	Date of Declaration	Date of Expiration
	blr ST-4	21 November 2023	19 November 2024

Bank	Mode	Limit Amount	Outstanding Amount	Tk. in million Bank Loan Rating
Mercantile Bank PLC (20.11.2023)	L/C LTR CC (Hypo)	6.00 5.00 4.50	- - 4.44	blr ST-4

Financial Based on– Un–audited financial statements up to 30 June 2023.

Key Snapshot:

Particulars	Tk. in million	
	FY23	FY22
Revenue	63.66	31.05
EBIT	11.49	6.20
Net Profit	11.07	5.86
Total Assets	69.20	66.45
Total Equity	60.88	64.34
Debt	8.32	2.11
Net Profit Margin (%)	17.4%	18.9%
CCC (Days)	225	473
ICR (X)	37.97	19.38

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

RATING RATIONALE

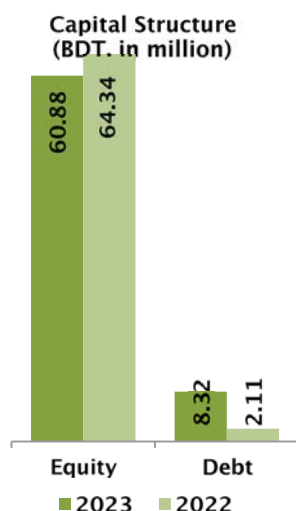
WCRCL has re-affirmed 'blr ST-4' rating (pronounced as bank loan rating Short Term Four) to Short Term loan limit of '**J.H Enterprise**' (hereinafter referred to as '**JHE**') based on the financial statements and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the enterprise which include long business experiences of the proprietor, low leverage position in the capital structure and good interest coverage position, comfortable security arrangement.

However, the above factors are constrained to some extent by average disclosure in the financial statement, market saturation or high competition, tight liquidity position, price volatility of trading products and Proprietorship concern has low legal obligation as an entity.

The short term rating implies that the enterprise has Below ability to meet short term financial commitments.

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



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