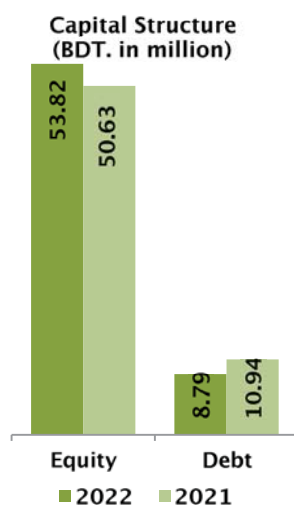


Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	5

Key Snapshot:

Particulars	2022	2021
Sales	230.22	200.55
EBIT	25.52	56.67
Net Profit	23.86	20.11
Total Assets	62.61	61.57
Total Equity	53.82	50.63
Total debt	8.79	10.94
Net Profit Margin (%)	10.4%	10.0%
CCC (Days)	80	109
ICR (X)	15.35	1.55



Analysts:

Maharan Nasrin
maharan@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com

SME Rating	WCRSME	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

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 & Medium Enterprise Three) rating under the SME Rating to Sanaullah Enterprise (hereinafter referred as “SE” 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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- 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
- Owned business premises and storage facility

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

WCRCL also viewed the enterprise with “Stable” outlook and believes that SE will be able to maintain its good fundamentals in the foreseeable future.