1st SURVEILLANCE CREDIT RATING REPORT
SHAHID MIAH AND SONS

Ref. no.: FR/2023/33606

Report Contents:

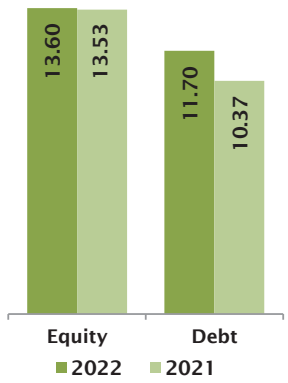
Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Market Review	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	5
Rating Observation	5

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	115.00	100.70
EBIT	6.17	5.35
Net Profit	5.38	4.40
Total Assets	25.30	23.90
Total Equity	13.60	13.53
Total debt	11.70	10.37
Net Profit Margin (%)	4.7	4.4
CCC (Days)	70	77
ICR (X)	7.90	5.69

Capital Structure (BDT. in million)



Analysts:

Mahmud Hasan
roin@wasocreditrating.com

Md. Rafiul Bary
rafi@wasocreditrating.com

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 September 2023	18 September 2024

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

RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Shahid Miah and Sons (hereinafter referred as "SMS" 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
- Owned business premises and storage facility
- Low levered capital structure
- Comfortable 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 in the financial statements
- Tight liquidity position considering long cash conversion cycle
- Tight security arrangement
- Manual accounting system

The SME rating implies that the enterprise has above average credit quality.

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