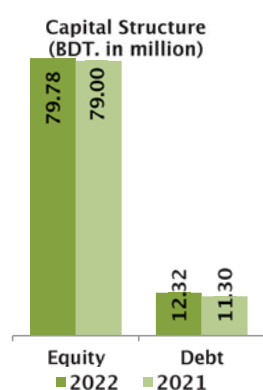


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Key Snapshot:

Particulars	BDT. in million	
	2022	2021
Revenue	27.03	23.50
EBIT	5.97	5.00
Net Profit	5.97	5.00
Total Assets	92.10	90.30
Total Equity	79.78	79.00
Debt	12.32	11.30
Net Profit Margin (%)	22.1	21.3
CCC (Days)	725	548



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	19 December 2023	18 December 2024

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

RATING RATIONALE

WCRCL has reaffirmed ‘WCRSME4’ (pronounced as WASO Credit Rating Small and Medium Enterprise Four) rating under the SME Rating to Erham Timber and Construction Company (hereinafter referred as “ETCC” 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
- Good profitability margin
- 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
- No disclosure of financial statements
- Manual accounting system

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

WCRCL also viewed the enterprise with “Stable” outlook and believes that ETCC 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.