

1<sup>st</sup> SURVEILLANCE CREDIT RATING REPORT  
A G TRADING



Ref. no.: FR/2023/032706

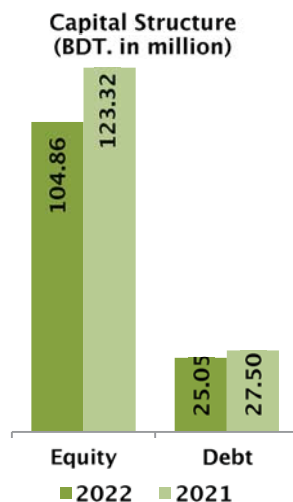
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Key Snapshot:

BDT. in million

Particulars	2021	2022
Revenue	299.23	368.73
EBIT	10.55	10.58
Net Profit	6.88	8.44
Total Assets	150.82	129.91
Total Equity	123.32	104.86
Debt	27.50	25.05
Net Profit Margin (%)	2.3	2.3
CCC (Days)	97	98
ICR (X)	2.90	5.31



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	25 July 2023	24 July 2024

**Methodology:** SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

**RATING RATIONALE**

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to A G Trading (hereinafter referred as "AGT" 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:

- Long business experiences of the proprietor in the business
- Good business network
- Good profitability margin
- Low levered capital structure
- Comfortable interest coverage position
- Satisfactory banking relationship

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
- Inventory holding risk
- Manual accounting system

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

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