

6th SURVEILLANCE CREDIT RATING REPORT CONTINENTAL SURGICAL HOUSE

Ref. no.: FR/2023/32600



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| SME Rating | WCRSE/WCRME | 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

| Bank | Mode of Investment | Sanctioned Amount | Outstanding Amount as on 24.07.2023 |
|--------------------------------|--|-------------------|-------------------------------------|
| Islami bank Bangladesh Limited | Composite Facilities (LC/Bills/MPI/Baim) | 25.00 | Nil |

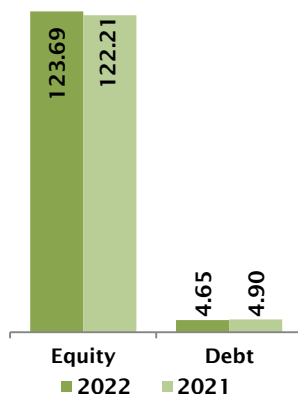
Tk. In million

Key Snapshot:

Tk. in million

| Particulars | 2022 | 2021 |
|-----------------------|--------|--------|
| Revenue | 125.52 | 113.74 |
| EBIT | 10.75 | 9.85 |
| Net Profit | 9.91 | 9.10 |
| Total Assets | 128.34 | 127.12 |
| Total Equity | 123.69 | 122.21 |
| Debt | 4.65 | 4.90 |
| Net Profit Margin (%) | 7.9 | 8.0 |
| CCC (Days) | 245 | 269 |
| ICR (X) | 49.94 | 52.90 |

Capital Structure
(BDT. in million)



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RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating **Continental Surgical House** (hereinafter referred to as 'CSH' or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above rating has been assigned based on the fundamentals of the enterprise which has selling point at prime area, long experience of the proprietor in the business, experienced and skilled management, good market reputation, good profitability condition and comfortable security coverage. However, the above factors are constrained to some extent by the average disclosure in the financial statements, tight liquidity position, long cash conversion cycle and no insurance coverage, which means high operational risk.

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

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