

2nd SURVEILLANCE CREDIT RATING REPORT MAHBUB TRADERS



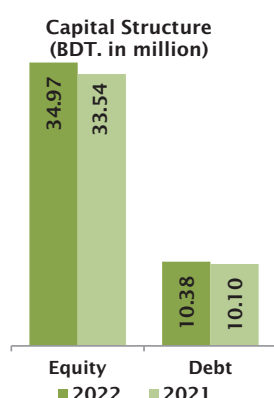
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Key Snapshot:

Particulars	FY22	FY21
Revenue	87.52	113.00
EBIT	5.17	5.95
Net Profit	4.28	5.00
Total Assets	45.35	43.64
Total Equity	34.97	33.54
Total debt	10.38	10.10
Net Profit Margin (%)	4.9%	4.4%
CCC (Days)	91	59
ICR (X)	5.86	6.26



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SME Rating	WCRSME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	25 July 2023	17 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

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (H)	25.00	7.64	20.07.2023

Financial Based on-Unaudited financial statements up to 30th June 2022.

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 Enterprise Three) rating under the SME Rating to Mahbub Traders (hereinafter referred as "MT" 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:

- Skilled management
- Highly satisfactory banking relationship
- Low levered capital structure
- Good security coverage against loan
- Good liquidity position with short cash conversion cycle

However, the above rating has been moderated to some extent due to some factors like:

- No insurance coverage
- Low disclosure of financial statements
- Low management information system (MIS) and 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 MT 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.