

4th SURVEILLANCE CREDIT RATING REPORT GREEN FOREST CAFÉ



Ref. no.: FR/2023/34138

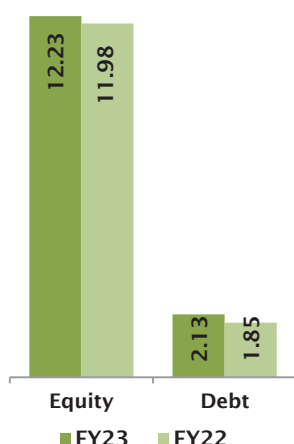
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Key Snapshot:

Particulars	FY23	FY22
Revenue	17.86	15.53
EBIT	2.93	2.18
Net Profit	2.35	1.84
Total Assets	14.36	13.83
Total Equity	12.23	11.98
Debt	2.13	1.85
Net Profit Margin (%)	13.1%	11.8%
CCC (Days)	48.71	102
ICR (X)	12.01	n-

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	03 October 2023	02 October 2024

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Bank Asia Limited	OD	1.50	1.36	10.09.2023
	Term Loan	1.88	0.20	

Financial Based on-Unaudited financial statements for 30th June 2023.

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 Green Forest Cafe (hereinafter referred as "GFC" 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 management
- Owned business premises
- Satisfactory banking relationship
- Good business network
- Low levered capital structure
- Good security arrangement against loan
- Insurance coverage

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

- Tight liquidity position with long cash conversion cycle
- Medium disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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

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