

1st SURVEILLANCE CREDIT RATING REPORT NAHID TRADERS



Ref. no.: CRAR-11789/2023

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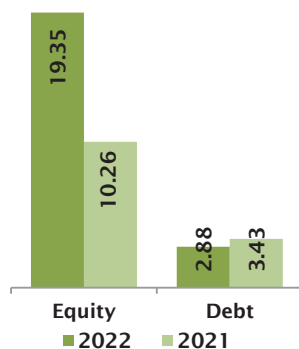
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	35.63	15.95
EBIT	3.09	1.54
Net Profit	2.63	1.50
Total Assets	22.23	13.69
Total Equity	19.35	10.26
Total debt	2.88	3.43
Net Profit Margin (%)	7.4%	9.4%
CCC (Days)	95.00	168.00
ICR (X)	6.63	42.69

Capital Structure
(BDT. in million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	17 October 2023	16 October 2024

Methodology: SME rating methodology published on the WCRCL website at 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 Nahid Traders (hereinafter referred as "NT" 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
- Satisfactory banking relationship
- Good business network
- Sales revenue was in increased trend
- Good interest coverage position
- 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
- Inventory holding risk
- No insurance coverage
- Low disclosure of financial statements

The SME rating implies that the Enterprise has above Average Credit Quality.

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