

SURVEILLANCE CREDIT RATING REPORT

S. H. TRADING CO.

Ref. no.: FR/2023/032073



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME 3	Stable	04 July 2023	03 July 2024

Tk. in million			
Bank	Mode of Investment	Sanctioned/ Limit Amount	Outstanding as on 16.06.2022
United Commercial Bank Limited	CC (Hypo)	70.00	37.92

Financial Based on- Unaudited financial statements up to 2022.

Methodology: SME Rating Methodology published on the WCRCL website at www.wasocreditrating.com

Key Snapshot:

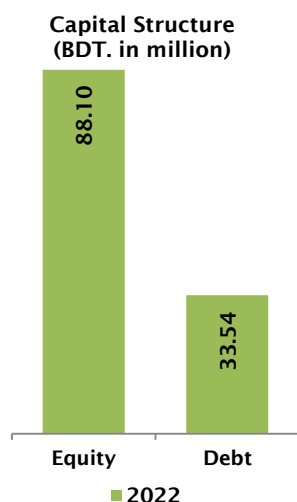
Particulars	2022
Revenue	466.42
EBIT	41.31
Net Profit	39.86
Total Assets	121.64
Total Equity	88.10
Debt	33.54
Net Profit Margin (%)	8.5%
CCC (Days)	77

RATING RATIONALE

WCRCL has reaffirmed WCRSME 3 (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to S. H. Trading Co. (hereinafter referred as "SHTC" or "The enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration. The above ratings have been assigned based on the fundamentals of the enterprise which include long track of experience of the proprietor, ready succession plan, low levered capital structure, good business network, good coverage position. However, the above factors are constrained to some extent by poor disclosures of financial statements, stressed liquidity position with long cash conversion cycle, small to medium scales of operation.

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

WCRCL also viewed the Enterprise with "Stable" outlook and believes that SHTC 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.



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