

Report Contents:

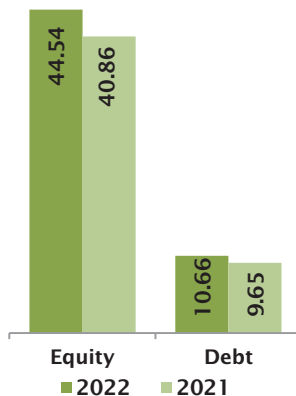
Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	5
Rating Observation	5

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	140.55	122.22
EBIT	11.79	10.03
Net Profit	9.92	8.42
Total Assets	55.20	50.51
Total Equity	44.54	40.86
Total debt	10.66	9.65
Net Profit Margin (%)	7.1%	6.9%
CCC (Days)	68	68
ICR (X)	15.38	15.70

Capital Structure
(BDT. in million)



Analysts:

Fatema-Tuj-Jahura Jhumu
 jhumu@wasocreditrating.com

Monira Islam
 monira@wasocreditrating.com

SME Rating	WCRSME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	04 July 2023	03 July 2024

BDT. in Million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank Bangladesh Limited	Composite Investment	12.00	10.22	03.07.2023

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

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 & Medium Enterprise **Three**) rating under the SME Rating to **Sabuj Enterprise** (hereinafter referred as “**SE**” 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
- Good business network
- 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
- No insurance coverage
- Low management information system (MIS) and Manual accounting system

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

WCRCL also viewed the enterprise with “**Stable**” outlook and believes that **SE** 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.