

Report Contents:

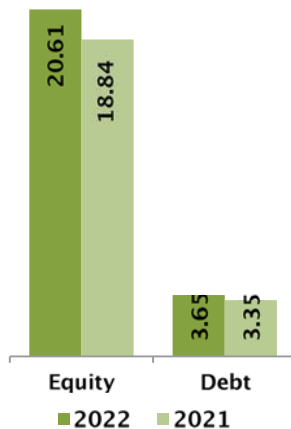
Particulars	Page
Rating Rationale	1
Business Profile	2
Business Management	2
Business Analysis	2
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	5

Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	57.52	50.02
EBIT	6.82	5.76
Net Profit	6.24	5.23
Total Assets	24.27	22.19
Total Equity	20.61	18.84
Debt	3.65	3.35
Net Profit Margin (%)	10.8%	10.4%
CCC (Days)	151	142
ICR (X)	12.39	11.51

**Capital Structure
(BDT. in million)**



Analysts:

Nazrul Islam
nazrul@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	12 June 2023	11 June 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)	10.00	0.0008	07.05.2023

Financial Based on—unaudited financial statements For 31st December 2021 & 2022.

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

RATING RATIONALE

WCRCL has reaffirmed ‘WCRSME 3’ (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Sabuj Traders (hereinafter referred as “ST” 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
- Satisfactory banking relationship
- Low levered capital structure
- Good profitability margin
- Maintained sound business relation with supplier & buyer

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

- Lack of disclosure in the financial statements
- Tight liquidity position considering long cash conversion cycle
- No Insurance coverage
- Low management information system (MIS) and Manual accounting system

The rating implies that the enterprise has an above average credit quality.

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