

CREDIT RATING REPORT SAWON MEDICAL HALL



Ref. no.: FR/2023/32703

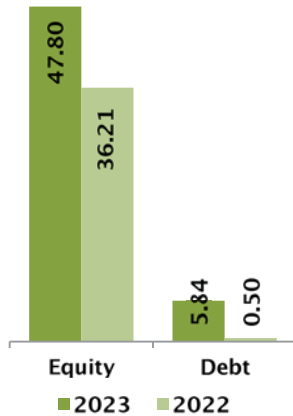
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Key Snapshot:

BDT. in million		
Particulars	2023	2022
Revenue	128.55	111.98
EBIT	11.97	10.52
Net Profit	11.59	10.52
Total Assets	53.64	36.71
Total Equity	47.80	36.21
Total debt	5.84	0.50
Net Profit Margin (%)	9.0%	9.4%
CCC (Days)	84	83
ICR (X)	31.28	n/a

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	04 July 2023	03 July 2024

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

RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to Sawon Medical Hall (hereinafter referred as "SMH" 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 proactive management
- Long business experiences of the proprietor in the business
- Satisfactory banking relationship
- 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
- Poor disclosure of financial statements
- 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 SMH 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.