

INITIAL CREDIT RATING REPORT ZAKER SUPER MARKET



Ref. no.: FR/2023/033388

Report Contents:

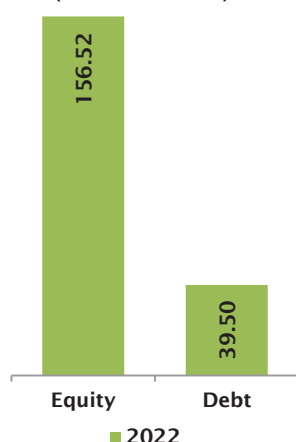
Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Market Review	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	5
Rating Observation	5

Key Snapshot:

BDT. in million

Particulars	2022
Revenue	11.40
EBIT	7.06
Net Profit	4.32
Total Assets	196.01
Total Equity	156.52
Debt	39.50
Net Profit Margin (%)	37.9%
CCC (Days)	2900
ICR (X)	2.92

Capital Structure
(BDT. in million)



Analysts:

Ummay Fatema
fatema@wasocreditrating.com

Rafiul Bary
rafi@wasocreditrating.com

SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	30 August 2023	29 August 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 and Medium Enterprise Three) rating under the SME Rating to Zaker Super Market (hereinafter referred as "ZSM" 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
- Owned business premises
- Satisfactory banking relationship
- 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
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

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

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