

# 1<sup>st</sup> SURVEILLANCE CREDIT RATING REPORT AL EVON TRADERS



Ref. no.: CRAR-15149/2023

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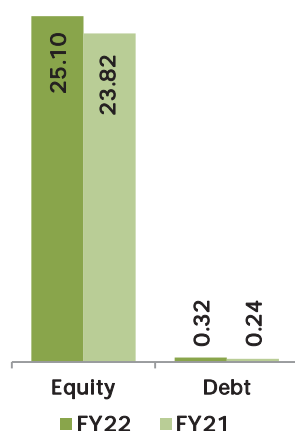
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## Key Snapshot:

BDT. In million

Particulars	FY21	FY22
Revenue	27.50	38.35
EBIT	1.40	2.09
Net Profit	1.27	1.94
Total Assets	24.06	25.42
Total Equity	23.82	25.10
Total debt	0.24	0.32
Net Profit Margin (%)	4.6	5.1
CCC (Days)	104	89
ICR (X)	11.47	14.92

Capital Structure  
(BDT. In million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	07 November 2023	05 November 2024

**Methodology:** SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Al Evon Traders (hereinafter referred as "AET" 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:

- Long business experiences of the proprietor in the business
- Owned business premises and storage facility
- Low levered capital structure
- Good interest coverage position
- Satisfactory banking relationship
- Good mortgage security coverage against loan

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

- Low disclosure in the financial statements
- Tight liquidity position considering long cash conversion cycle
- No update trade license
- 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 AET 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.