

INITIAL CREDIT RATING REPORT ALAM STORE



Ref. no.: CRAR-18462/2023

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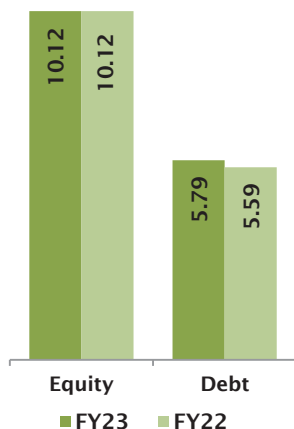
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Key Snapshot:

BDT. in million

| Particulars | FY23 | FY22 |
|-----------------------|--------|-------|
| Revenue | 101.58 | 99.58 |
| EBIT | 1.78 | 3.79 |
| Net Profit | 1.73 | 3.75 |
| Total Assets | 15.91 | 15.71 |
| Total Equity | 10.12 | 10.12 |
| Total debt | 5.79 | 5.59 |
| Net Profit Margin (%) | 1.7 | 3.8 |
| CCC (Days) | 37 | 38 |

Capital Structure
(BDT. in million)



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| SME Rating | Rating Notch | Outlook | Date of Declaration | Date of Expiration |
|------------|--------------|---------|---------------------|--------------------|
| | WCRSME3 | Stable | 23 November 2023 | 22 November 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 Alam Store (hereinafter referred as "AS" 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 experienced and skilled management
- Good business network
- Low levered capital structure
- Satisfactory banking relationship
- Good mortgage security coverage against loan

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

- Moderate disclosure in the financial statements
- Tight liquidity position with long cash conversion cycle
- No insurance coverage for the inventory in stock

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

WCRCL also viewed the enterprise with "Stable" outlook and believes that AS 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.