

4th SURVEILLANCE CREDIT RATING REPORT SABU TRADERS



Ref. no.: CRAR-5046/2023

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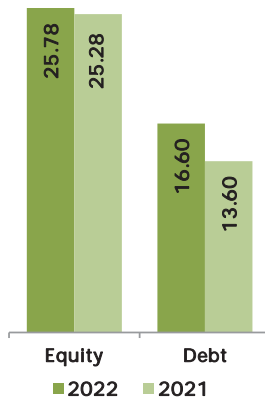
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Key Snapshot:

BDT. In million

| Particulars | 2021 | 2022 |
|-----------------------|-------|-------|
| Revenue | 67.20 | 68.00 |
| EBIT | 6.10 | 6.60 |
| Net Profit | 5.28 | 5.78 |
| Total Assets | 38.88 | 42.38 |
| Total Equity | 25.28 | 25.78 |
| Debt | 13.60 | 16.60 |
| Net Profit Margin (%) | 7.8 | 8.5 |
| CCC (Days) | 195 | 212 |
| ICR (X) | 7.39 | 8.00 |

Capital Structure
(BDT. In million)



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| SME Rating | Rating Notch | Outlook | Date of Declaration | Date of Expiration |
|------------|--------------|---------|---------------------|--------------------|
| | WCRSME3 | Stable | 10 October 2023 | 10 October 2024 |

Methodology: SME rating methodology published on the WCRCL website at 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 Sabu Traders (hereinafter referred to as 'ST' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above ratings have been assigned based on the fundamentals of the enterprise which include long business experiences of the proprietor, good business network, low leverage position in the capital structure, good interest coverage position, satisfactory banking relationship and good mortgage security coverage against loan.

However, the above factors are constrained to some extent by low of disclosure in the financial statement, tight liquidity position considering long cash conversion cycle, price volatility of trading products, proprietorship concern has no legal entity and manual accounting system.

The SME rating implies that the enterprise is adjudged to 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.