

5th SURVILLANCE CREDIT RATING REPORT SATHI FRESH FRUITS LIMITED

Ref. no.: FR/2023/033088



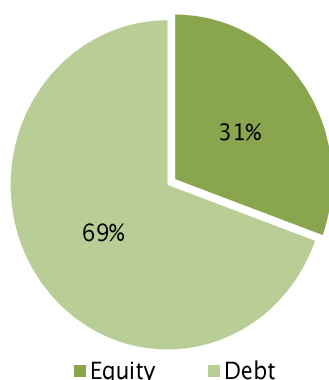
Report Contents:

Particulars	Page
Rating Rationale	1
Corporate Background	2
Management Evaluation	2
Industries Analysis	2
Business Analysis	3
Financial Strength Analysis	4
Banking Relationship	5
Risk Factor Analysis	6
Rating Observations	6

Key Snapshot:

Particulars	FY22	FY21
Revenue	20.00	25.00
EBITDA	17.66	2.95
Net Profit	7.64	2.76
Total Assets	85.63	104.34
Total Equity	24.33	31.84
Debt	61.29	72.50
Net Profit Margin (%)	87.68%	11.06
Current Ratio (X)	0.65	1.29
CCC (Days)	399	308
D/E Ratio (X)	2.24	2.28
ICR (X)	147.13	15.55

Capital Structure–FY22



Analysts:

Monira Islam
monira@wasocreditrating.com

Md. Al Amin Jewel
jewel@wasocreditrating.com

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
WCRSME3	WCRSME3	Stable	08 August 2023	17 August 2024

WCRSME3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Tk. In Million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 30 June 2023
United Commercial Bank Limited	CC (Hypo)	20.00	19.95
	SLC	30.00	0.00
	LTR	20.00	0.00

Financial Based on– Unaudited financial statements for the periods ended on 30th June 2022, 2021, and 2020.

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

RATING RATIONALE

WCRCCL has reaffirmed ‘WCRSME3’ (pronounced as WASO Credit Rating Small and medium Enterprise Three) rating under the SME Rating to **Sathi Fresh Fruits Limited** (hereinafter referred to as ‘SFFL’ or ‘The Company’) 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 company which includes good business network, sponsors have good knowledge about their business, positive business trend, profitable business performance and have insurance coverage. However, the above rating has been moderated to some extent due to some factors like highly levered capital structure, tight liquidity position, poor disclosure in the financial statements, tight liquidity position with long cash conversion cycle, and small scale operation.

The SME rating implies that the company is adjudged above average level of credit quality.

WCRCCL also viewed the company with “Stable” outlook and believes that SFFL 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.