

2nd SURVEILLANCE CREDIT RATING REPORT SIKDER TRADERS



Ref. no.: FR/2023/33709

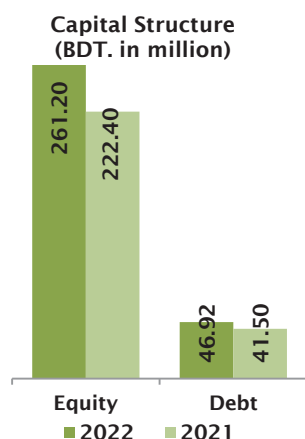
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	753.25	655.00
EBIT	27.95	23.80
Net Profit	22.89	19.15
Total Assets	308.12	263.90
Total Equity	261.20	222.40
Total debt	46.92	41.50
Net Profit Margin (%)	3.0%	2.9%
CCC (Days)	45	81
ICR (X)	6.20	5.80



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	19 September 2023	18 September 2024

Financial Based on-unaudited financial statements up to 31 December 2022.

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 Sikder Traders (hereinafter referred as "ST" 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 and storage facility
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Good interest coverage position

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

- Tight liquidity position with long cash conversion cycle
- No Insurance coverage
- Low disclosure of financial statements
- Low management information system (MIS)

The SME rating implies that the Enterprise has above 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.