ARGUS CREDIT RATING SERVICES LTD.
(ACRSL)

Credit Rating Report

FM Traders

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Authorized Signature:

Name:

Designation:

Date:

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ARGUS CREDIT RATING SERVICES LTD
Dhaka, Bangladesh

Ref No	: ACRSL39480/25
Company Name	: FM Traders (FMT)
Assigned Ticker	: FMTrd
Activity	: Real Estate Miscellaneous, Trading
Incorporated On	: 01 Jan 2020
Head Office	: 345/A, Free School Street, Sonargaon Road (3rd floor), Dhaka-1205, Bangladesh

Rating Type	: SME / Entity
Rating Validity	: 05 Mar 2026
Nature Of Rating	: Initial
Outlook	: Stable
Analyst(s)	: ACRSL Analyst Team
Committee(s)	: ACRSL Rating Committees

Rating Summary

Credit Rating	Current	Previous
SME	AQME-3	N/A
Publishing Date	06 Mar 2025	N/A

Rating Explanation

Rating	Explanation
AQME-3	ARGUS Quantitative Medium Enterprise-3 is a High rating grade assigned to medium enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative ME ratings model. When assigned, this rating indicates the obligor, relative to other medium enterprises, has strong capacity to meet its financial obligations but may be vulnerable to adverse economic conditions.

Rating Validity: This validity assumes no additional loan over that disclosed in FY24 [Ending June 30] audited/management certified balance sheet and that management has disclosed all material & adverse to financials since FY22.

Junaid Alam
CRO & Head of Operations
ARGUS Credit Rating Services Ltd.

1 CORPORATE PROFILE

1.1 COMPANY DESCRIPTION

History: FM Traders has established as a proprietorship business. The business has solely managed and owned by Mr. Md. Jahir Uddin. The firm has engaged as a importer and supplier of tiles, sanitary ware, granite slabs.

Financial Base: At the end of FY24, FM Traders, Total Assets stood at BDT 60.24 MN, Equity at BDT 50.16 MN, Revenue at BDT 110.64 MN, and Net Profit after Tax at BDT 18.96 MN.

Bank Liability Position: The firm has facilitated external finance from Standard Bank PLC, where limit is 10.00 MN, and according to banker's report outstanding is 0.69 MN, as on 25.02.2025.

Special note: At the time of publication of this credit rating report by ARGUS Credit Rating Service Limited (ACRSL), audited financial statements of FY22 to FY24 (ending Jun, 30) were available, projections for FY25 and FY26 were arrived after taking into consideration the subsequent events up to the date of reporting, management feedback, and industry insights.

1.2 OWNERSHIP STRUCTURE

The proprietor of FM Traders is Mr. Md. Jahir Uddin. He has adequate experience in related business and is a successful business person. The overall business of the traders has managed and looked after by him with the help of efficient professionals.

Table 1 Nature of Ownership/Directors' Shareholding Percentage

Designation	Name	Shares
Proprietor	Mr. Md. Jahir Uddin	100.00%

1.3 OPERATIONS

Business Address: 345/A, Free School Street, Sonargaon Road (3rd floor), Dhaka-1205, Bangladesh.

1.4 PRODUCTS AND SERVICES

The firm has engaged as a importer and supplier of tiles, sanitary ware, granite slabs.

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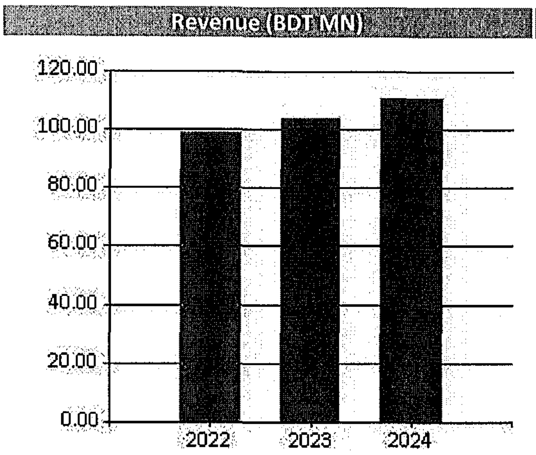
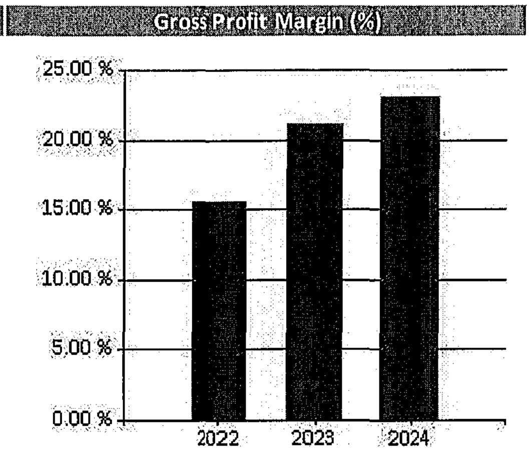
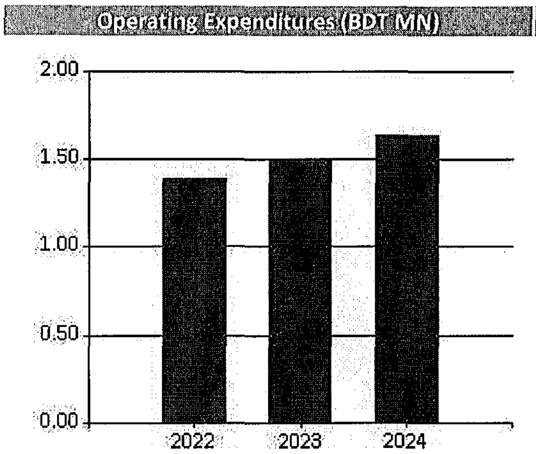
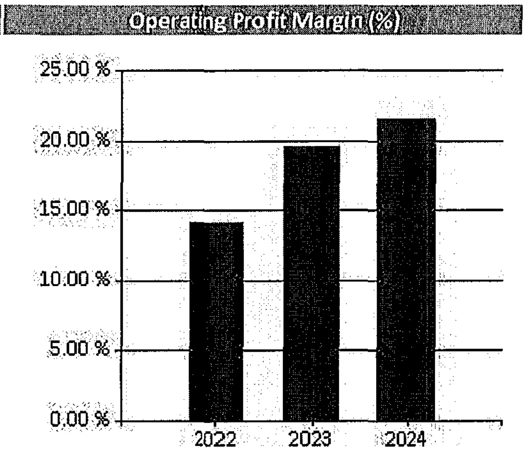
2 CHARTS

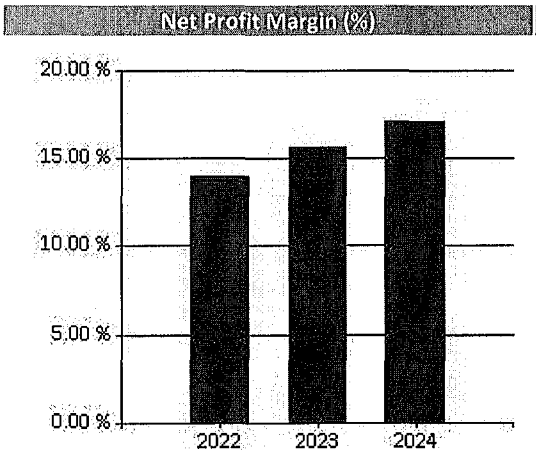
2.1 INCOME STATEMENT CHARTS

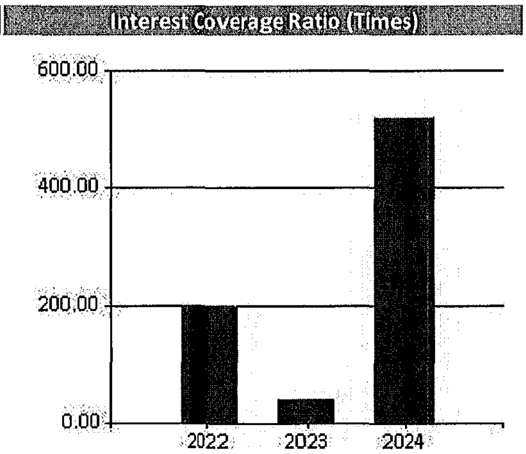












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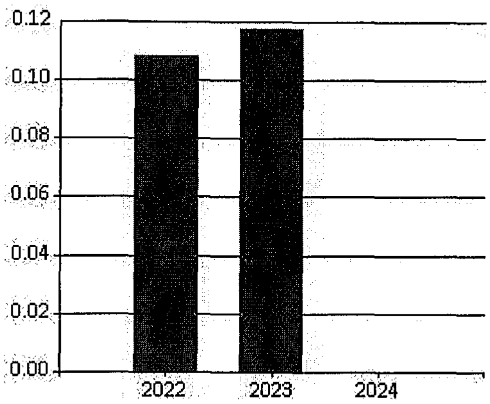
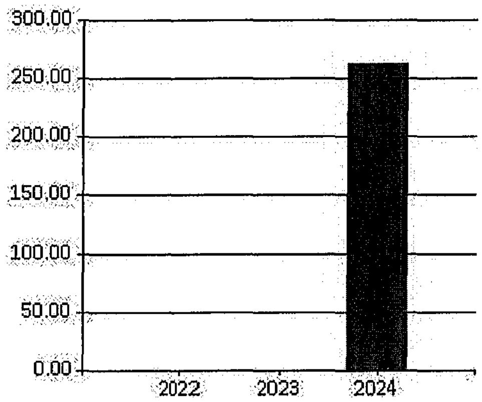
2.2 Balance Sheet Charts

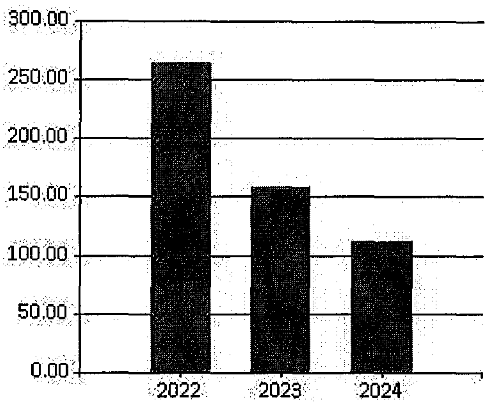
Debt To Equity (Times)



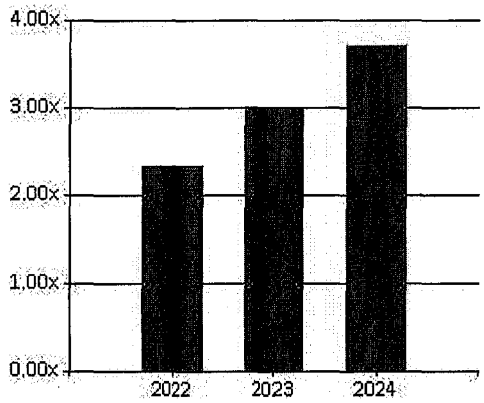
Accounts Payable Turnover (Times)



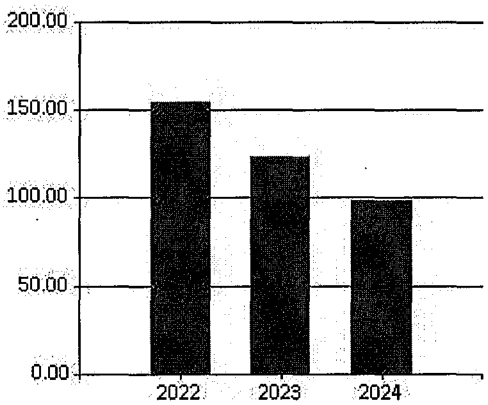
Accounts Receivable Turnover (Times)



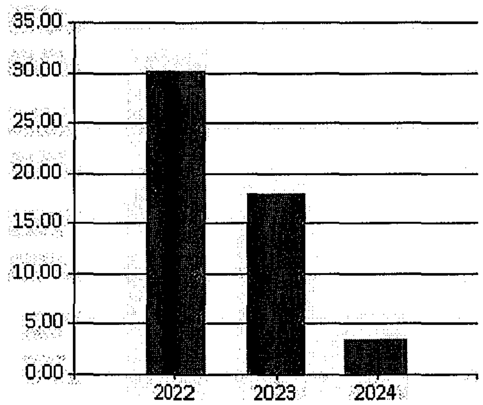
Inventory Turnover (Times)



Cash Conversion Cycle (Days)



Current Ratio (Times)



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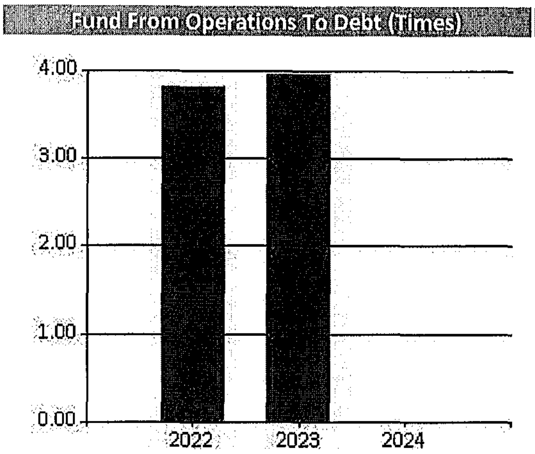
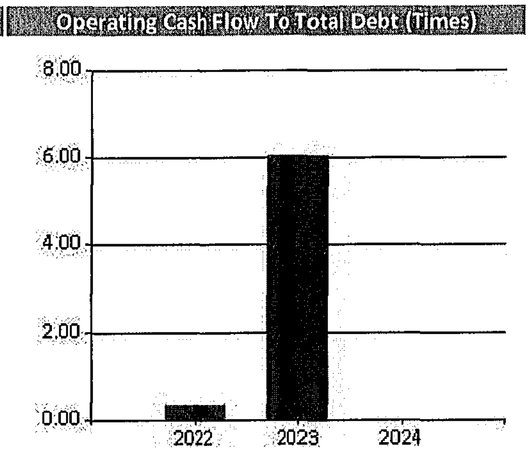
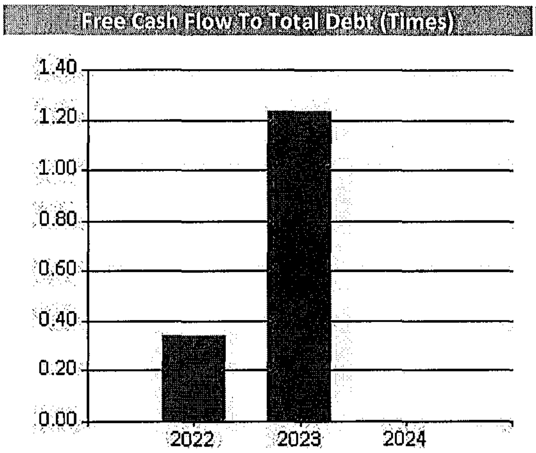
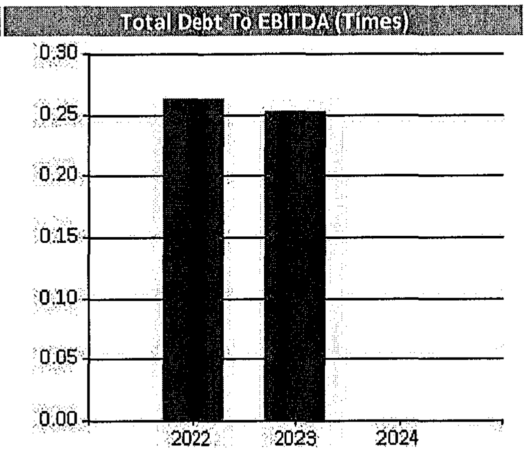
2.3 Cash Flow Adequacy Charts









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APPENDIX A: SUMMARY OF FINANCIAL METRICS

Balance Sheet Metrics (BDT in MN)	FY22	FY23	FY24
Cash & Equivalent	0.70	2.15	4.60
Trade Receivable	0.37	0.94	1.03
Inventories	35.47	19.47	26.37
Total Current Assets	38.19	25.08	35.13
Investments	0.00	0.00	0.00
Fixed Assets(At cost less Depreciation)	0.51	25.13	25.11
Total Non-Current Assets	0.51	25.13	25.11
Total Assets	38.70	50.21	60.24
Payable and Accrued Expenses	0.00	0.00	0.65
Other Current Liabilities	1.27	1.39	9.43
Short Term Debt	0.00	0.00	0.00
Total Current Liabilities	1.27	1.39	10.08
Long Term Debt	3.65	5.13	0.00
Other Non-Current Liabilities	0.00	0.00	0.00
Total Non-Current Liabilities	3.65	5.13	0.00
Total Liabilities	4.92	6.52	10.08
Issued, Subscribed & Paid Up Capital	0.00	0.00	0.00
Retained Earnings	33.78	43.69	50.16
Reserves & Surplus	0.00	0.00	0.00
Total Shareholders' Equity	33.78	43.69	50.16
Total Shareholders' Equity & Liabilities	38.70	50.21	60.24
Income Statement Metrics (BDT in MN)	**FY22**	**FY23**	**FY24**
Revenue/Sales/Turnover	98.66	103.59	110.64
Cost of Revenue/ Cost of Goods Sold	83.37	81.78	85.18
Gross Profit (Loss)	15.29	21.81	25.46
Operating Expenses	1.39	1.49	1.63
Operating Profit	13.90	20.32	23.83
Financial Expense/ Interest Expense	0.07	0.51	0.05
Net Profit before WPPF	13.83	19.81	23.78
Other Expense	0.00	0.00	0.00
Net Profit Before Tax	13.83	19.81	23.78
Provision for Tax	0.00	3.57	4.82
Net Profit After Tax	13.83	16.24	18.96
Cash Flow Metrics (BDT in MN)	**FY22**	**FY23**	**FY24**
Net Cash from Operating Activities	1.25	30.95	20.07
Net Cash from Investing Activities	0.00	-24.65	0.00
Net Cash from Financing Activities	-1.18	-4.86	-17.63
Increase/(Decrease) in Cash and Cash Equivalents	0.06	1.45	2.44
Cash and Cash Equivalents at the Opening	0.64	0.70	2.15
Cash and Cash Equivalents at the Closing	0.70	2.15	4.60

Source: FMT's financial statements from FY22-FY24

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Dhaka, Bangladesh

APPENDIX B: SUMMARY OF ANALYTICS

Indicators	FY22	FY23	FY24
Revenue Growth	0.00%	5.00%	6.80%
Gross Profit Margin	15.50%	21.05%	23.02%
Operating Profit Margin	14.09%	19.61%	21.54%
Net Profit Margin	14.02%	15.68%	17.14%
Interest Coverage Ratio	199.21x	39.62x	518.39x
ROA	35.74%	36.53%	34.34%
ROE	40.94%	41.93%	40.41%
Debt to Equity Ratio	0.11x	0.12x	0.00x
Accounts Payable Turnover	0.00x	0.00x	261.85x
Accounts Receivable Turnover	264.27x	157.75x	112.09x
Inventory Turnover Ratio	2.35x	2.98x	3.72x
Current Ratio	30.18x	18.02x	3.48x
Cash Conversion Cycle(Days)	155	123	99
Fund from Operations/Total Debt	3.80x	3.96x	0.00x
Operating Cash Flow/Total Debt	0.34x	6.04x	0.00x
Free Cash Flow/Total Debt	0.34x	1.23x	0.00x
Total Debt/EBITDA	0.26x	0.25x	0.00x

ARGUS CREDIT RATING SERVICES LTD. Dhaka, Bangladesh

APPENDIX C: SME RATING DETAILS

ACRSL SME RATING

Rating	Definition
AQME-1 (Highest Grade)	ARGUS Quantitative Medium Enterprise-1 is the Highest rating assigned to medium enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative ME ratings model. When assigned this rating indicates the obligor, relative to other medium enterprises, has exceptionally strong capacity to meet its financial obligations and it is highly unlikely that this capacity will be impacted adversely by foreseeable events.
AQME-2 (High Grade)	ARGUS Quantitative Medium Enterprise-2 is a Very High rating grade assigned to medium enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative ME ratings model. When assigned, this rating indicates the obligor, relative to other medium enterprises, has very strong capacity to meet its financial obligations and it is unlikely that this capacity will be impacted adversely by foreseeable events.
AQME-3 (Good Grade)	ARGUS Quantitative Medium Enterprise-3 is a High rating grade assigned to medium enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative ME ratings model. When assigned, this rating indicates the obligor, relative to other medium enterprises, has strong capacity to meet its financial obligations but may be vulnerable to adverse economic conditions.
AQME-4 (Satisfactory Grade)	ARGUS Quantitative Medium Enterprise-4 is a Good rating grade assigned to medium enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative ME ratings model. When assigned, this rating indicates the obligor, relative to other medium enterprises, has adequate capacity to meet its financial obligations but this capacity remains more vulnerable to adverse economic conditions.
AQME-5 (Non-Investment Grade)	ARGUS Quantitative Medium Enterprise-5 is a Non-Investment rating grade assigned to medium enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative ME ratings model. When assigned, this rating indicates the obligor, relative to other medium enterprises, has weak capacity and may rely on alternative sources to meet its financial obligations, and is substantially vulnerable to adverse economic conditions that may impair ability to meet such obligations in the future.
AQME-6 (Highly vulnerable)	ARGUS Quantitative Medium Enterprise-6 is a Highly Vulnerable rating grade assigned to medium enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative ME ratings model. When assigned this rating indicates the obligor is near to default and the degree of certainty regarding timely payment of financial obligations is doubtful unless circumstances improve.
AQME-7 (Imminent Default)	ARGUS Quantitative Medium Enterprise-7 is an Imminent default rating assigned to Medium enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative ME ratings model. When assigned this rating indicates The obligor is either currently in default or expected to be in default with high probability. The obligor with this rating is unlikely to meet maturing financial obligations.
AQME-8 (Default Grade)	ARGUS Quantitative Medium Enterprise-8 is a Default rating assigned to medium enterprises by ARGUS Credit Rating Services Ltd (ACRSL)'s quantitative ME ratings model. When assigned, this rating indicates the obligor already failed to meet its financial obligations and may have entered bankruptcy proceedings.

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