

## Credit Review Memo

Company: Sample (Pty) Ltd

Review period end: 2025-06-29

Internal rating: BBB

Recommendation: Caution

### Executive Summary:

Sample (Pty) Ltd's credit profile is currently rated at BBB, with a recommendation of caution due to several financial

### Transaction Overview:

Transaction details to be completed by deal team.

### Business Risk Assessment:

Sample (Pty) Ltd operates across 10 segments, contributing to a diversified revenue stream of 252,701.00, which gr

### Industry Overview:

Company operates across 10 business segments.

### Competitive Position:

EBITDA margin of 2.7%. Revenue growth 8.9% YoY indicates market positioning.

### Financial Performance:

The financial performance of Sample (Pty) Ltd is rated as adequate, with revenue growth of 8.9% and EBITDA grow

### Financial Risk:

Sample (Pty) Ltd faces significant financial risks, primarily due to its weak liquidity and high leverage. The liquidity co

### Cash Flow & Liquidity:

The liquidity position of Sample (Pty) Ltd is weak, with a current ratio of 0.89 and a quick ratio of 0.23, indicating insu

### Balance Sheet & Leverage:

Sample (Pty) Ltd's leverage profile is concerning, with a net debt to EBITDA ratio of 5.05x, indicating high financial l

### Stress Testing Results:

Stress testing reveals significant vulnerabilities for Sample (Pty) Ltd. Under a 10% revenue decline scenario, net del

### Accounting & Disclosure Quality:

The accounting and disclosure quality of Sample (Pty) Ltd is rated as weak, with several risk flags identified, includin

### Key Notes (Accounting):

Key accounting notes for Sample (Pty) Ltd include Note 1 on significant judgement, Note 8 on impairment, and Note

### Key Risks:

Key risks for Sample (Pty) Ltd include high financial leverage, weak liquidity, and covenant breaches. The company's