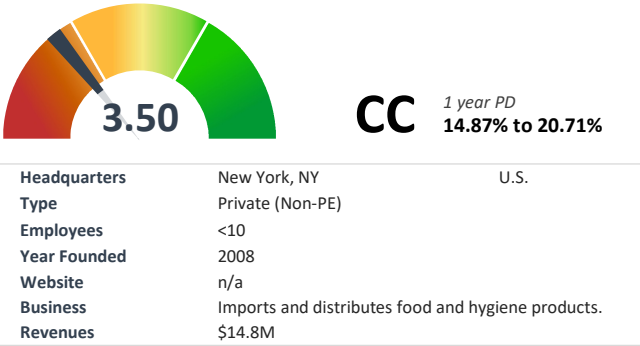


INTERNATIONAL GENERAL TRADING CORP. ("IGTC")



Company Overview

- Company Overview:** A New York-based importer and distributor specialized in small-scale international trade of consumer-packaged goods.
- Product:** Offers imported food items and personal care products, including hazelnut spreads, noodles, and alcohol-based hygiene wipes.
- Customers:** Serves regional wholesalers, small retailers, and ethnic grocery stores seeking affordable imported goods.
- Ownership:** Privately owned and operated by Gurjeet Taneja, who also serves as the company’s CEO. It is an educated guess at this point in time, that she is the sole, or at least majority equity holder of the company.
- Debt Structure:** Most debt (\$2.0mn) sits on a Line of Credit (\$2.5mn limit, floater - 4.75% per YE/23). In addition they carry an SBA-loan (\$370k CARES Act, 3.75% fix, amortizing) and a Credit Card Balance of \$100k.
- Basis for Assessment:** Complete and audited FY-22, FY-23, and company prepared, uncommented and high level b/s + i/s for FY-24. Most emphasize has been placed on FY-24 for this assessment.
- Other (pros/cons):** Profitability has remained stable despite a steep and consistent revenue decline since FY-22, supported by efficient capital use and low fixed costs. Elevated leverage, weak liquidity, and single-person dependency pose structural and operational credit risks. Tariffs are likely the biggest thread to their business at the moment. Comparatively small entity size increases their empirical default risk.
- Tariffs:** With an unknown customers' demand elasticity, we consider them being sensitive to tariffs with limited ability to swiftly change suppliers or pass on higher expenses at short notice.

Financial Snapshot

	Dec-22	Dec-23	Dec-24	Chg
\$ '000s	T12	T12	T12	%
Total Revenue	20,364	19,504	14,824	-24.0%
Gross Profit	2,069	1,695	1,532	-9.6%
Adjusted EBITDA	810	793	815	2.8%
Gross Profit Margin	10.2%	8.7%	10.3%	1.6 ppt
EBITDA Margin	4.0%	4.1%	5.5%	1.4 ppt
Net Income	661	628	605	-3.6%

Financial Ratio Benchmarking

# of Benchmarks:	31	Industry Median	Company Metric	Percentile Rank	# of Industry Benchmarks	31
Company Financials Date	Dec-24					
					Industry Benchmarks - Primary: Distributors	
	Revenue	\$16M	\$15M			
Liquidity	Current Ratio	1.94	1.52	<div></div>	37%	
	Quick Ratio	1.06	0.71	<div></div>	35%	
Leverage	Net Debt / EBITDA	1.11	2.71	<div></div>	33%	
	Debt to Assets	26.7%	35.3%	<div></div>	45%	
Profitability	EBITDA Margin	5.8%	5.5%	<div></div>	46%	
	ROCE %	21.1%	24.4%	<div></div>	55%	

Business Risk

Industry Group Risk Profile	Business And Consumer Services			
	20%	4.5	to	5.5
Industry Risk Assessment	KPI Rating	Contribution	Industry Group Description	
Cyclicality	Intermediate risk	<div></div>	Primary revenues from offering solutions for noncore activities or providing varied business and consumer services, including: services for direct consumer needs; product distribution services; facilities services for maintaining other businesses' premises or staffing; and general and professional services for complex business support.	
Competitive Risk	Intermediate risk	<div></div>		
Global Industry	Intermediate risk	<div></div>		
Market Segment Outlook	Stable	<div></div>		
Competitive Position Profile	Distribution			
	50%	3.5	to	5.0
Competitive Position KPIs	KPI Rating	Contribution	Rating Guideline	
Cycle-Tested	2001-2008	<div></div>	Pre-GFC.	
Geographic Coverage	Weak	<div></div>	Limited distribution network with a local or restricted reach.	
Supplier Relationships	Above Average	<div></div>	Has solid relationships with multiple suppliers.	
Customer Relationships	Above Average	<div></div>	Good relationships with both large and small retailers.	
Delivery Speed	Satisfactory	<div></div>	Average delivery times, comparable to industry peers.	
Inventory Management	Satisfactory	<div></div>	Average inventory management, occasional stockouts or overstock.	
Technology Use	Weak	<div></div>	Heavy reliance on manual processes, limited use of technology.	
Regulatory Compliance	Satisfactory	<div></div>		
Corporate Governance	Satisfactory	<div></div>		
Management, Governance, Sponsorship				
	30%	2.0	to	3.0

Anchor Modifiers

Modifiers			
Revenue Segment	Normalization	<div></div>	\$10-25M
Trend Analysis	Adjustment	<div></div>	Moderate Negative
Tariffs	Adjustment	<div></div>	Mod to High

Rating Range (Rounded)

3.0 to 4.0