

ABC Holdings Berhad

Consumer Products & Services | Retailers

Set up in 2001, ABC Holdings Berhad is a Bursa Malaysia-listed company that operates a chain of supermarkets and convenience stores nationwide.

General Credit Assessment (GCA)

Current Quick Score	Previous Quick Score
aa3 - a1	-
Latest FY: 31-12-2020	-

Capacity to meet financial obligations

aaa	aa1 - aa3	a1 - a3	bbb1 - bbb3	bb1 - bb3	b/c
Superior	Strong	Adequate	Moderate	Weak	Very Weak

GCA Quick Score Components

Industry Risk

Favourable	Average	Unfavourable
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Scale and Profitability

Favourable	Average	Unfavourable
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Key Credit Metrics

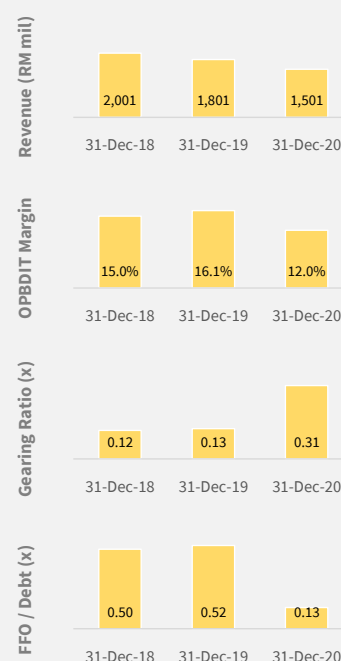
Favourable	Average	Unfavourable
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Liquidity Indicators

Pass	Below Thresholds
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Please see next page for descriptions of the components

Financial Trends



FFO = Funds from operations (i.e. Operating cashflows before working capital changes less taxation)

OPBDIT = Operating profit before depreciation, interest and tax

Financial Summary

MYR million (unless stated otherwise)

	31-Dec-18	31-Dec-19	31-Dec-20
Revenue	2,000.93	1,800.69	1,500.75
Operating Profit Before Depreciation, Interest and Tax	300.02	290.48	180.64
Pre-Tax Profit	347.61	270.22	153.67
Net Profit	270.62	202.59	104.05
Total Assets	6,000.40	6,700.83	6,900.98
Total Liabilities	2,100.72	1,900.46	2,600.62
Total Equity	4,800.68	4,800.37	4,200.36
Total Debt	570.26	605.17	1,284.14
Total Cash	615.25	437.37	621.02
Net Cashflow From Operations *	640.24	415.75	302.69
Free Operating Cashflow *	400.28	80.16	250.40

Selected Financial Ratios

Metric	Unit	31-Dec-18	31-Dec-19	31-Dec-20
OPBDIT Margin (= OPBDIT / Revenue)	%	15.0%	16.1%	12.0%
Return On Capital Employed (= [Pre-Tax Profit + Finance Cost] / [Total Debt + Total Equity])	%	6.9%	5.3%	3.2%
Interest Coverage Ratio (= OPBDIT / Interest)	times	14.61	18.20	7.39
Funds From Operations Debt Coverage Ratio (= FFO / Debt) **	times	0.50	0.52	0.13
Net Operating Cashflow Debt Coverage Ratio (= Net Operating Cashflow / Debt) *	times	1.12	0.69	0.24
Gearing Ratio (= Debt / Equity)	times	0.12	0.13	0.31
Net Gearing Ratio (= Net Debt / Equity)	times	(0.01)	0.03	0.16
Current Ratio (= Current Assets / Current Liabilities)	times	3.02	3.37	3.43
Cash / Short-term Debt	times	4.95	3.18	18.84

* Shown as "N.a." if information on the cashflow statement is not available.

** OPBDIT Debt Coverage Ratio is shown here instead if information on the Company's cashflow statement is not available.

Sample

About RAM CreditSCAN™ and RAM CreditSCAN™ Quick Score

GCA Definitions

aaa	An entity assessed to be in this GCA category is expected to have a superior capacity to meet its financial obligations.
aa1 - aa3	An entity assessed to be in this GCA category is expected to have a strong capacity to meet its financial obligations. The entity is expected to be resilient against adverse changes in circumstances, economic conditions and/or operating environments.
a1 - a3	An entity assessed to be in this GCA category is expected to have an adequate capacity to meet its financial obligations. The entity is expected to be more susceptible to adverse changes in circumstances, economic conditions and/or operating environments than those in the higher GCA categories.
bbb1 - bbb3	An entity assessed to be in this GCA category is expected to have a moderate capacity to meet its financial obligations. The entity is more likely to be weakened by adverse changes in circumstances, economic conditions and/or operating environments than those in the higher GCA categories.
bb1 - bb3	An entity assessed to be in this GCA category is viewed to have a weak capacity to meet its financial obligations. The entity is expected to be highly vulnerable to adverse changes in circumstances, economic conditions and/or operating environments.
b	An entity assessed to be in this GCA category is viewed to have a very weak capacity to meet its financial obligations. The entity is expected to have a limited ability to withstand adverse changes in economic circumstances and/or operating environments.
c	An entity assessed to be in this GCA category is expected to have a high likelihood of defaulting on its financial obligations. The entity is highly dependent on favourable changes in circumstances, economic conditions and/or operating environments, the lack of which would likely result in it defaulting on its financial obligations.

GCA Quick Score Components

Industry Risk	Assessment of industry characteristics such as growth prospects, level of competition, barriers to entry, threat of substitutes and vulnerability to external factors.
Scale and Profitability	Assessment of an entity's size and profitability relative to its peers in similar industries as well as the broader peer group. A company that is larger and more profitable than its peers will receive a more favourable assessment.
Key Credit Metrics	Assessment of an entity's leverage position (Debt/Equity and Net Debt/Equity) and debt-servicing capacity (FFO/Debt or OPBDIT/Debt). A profitable and lowly-leveraged (or debt-free) company will be accorded a more favourable assessment.
Liquidity Indicators	"Pass" indicates all of the following indicators are met as at end-of-the company's latest financial year: Current Ratio > 1.2x; Cash/Short-Term Debt > 1x; and Cash/Operating Expenditure > 45 days. "Below Thresholds" indicates at least one of the conditions is not met.

Contact Us

For a comprehensive assessment of each company or to learn how RAM CreditSCAN™ can be tailored to your needs:

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About RAM CreditSCAN™

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