

CREDIT RATING REPORT

HAZI SHAKHAWAT ANWARA EYE HOSPITAL LIMITED

Ref. no.: FR/2022/024694



Report Contents:

Particulars	Page
Rating Rationale	1
Corporate Background	3
Group Profile	3
Management Evaluation	5
Market Review	6
Business Analysis	8
Financial Strength Analysis	8
Banking Relationship	10
Risk Factor Analysis	11
Rating Observations	11

Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB3	ST-4	Stable	29 June 2022	28 June 2023

Banks Name	Mode of Investment	Limit Amount	Outstanding Amount	Bank Loan Rating
SBAC Bank Ltd. (28.06.2022)	Term Loan	10.31	2.19	blr BBB3
	CC (Hypo)	100.00	99.98	blr ST-4
	CC (H)- Stimulus	30.00	29.99	

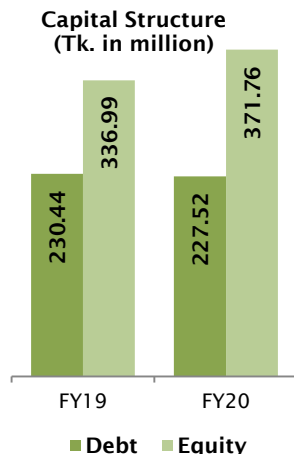
Financial Based on-Audited statements up to 30 June 2020.

Methodology: Corporate rating methodology published on the WCRCL website at www.wasocreditrating.com

Key Snapshot:

Tk. in million

Particulars	2020	2019
Revenue	97.98	133.37
EBIT	47.33	83.25
Net Income	34.77	68.97
Total Assets	599.29	567.44
Total Equity	371.76	336.99
Debt	227.52	230.44
Net Profit Margin (%)	35.50	51.70
Current Ratio (X)	0.77	0.79
ICR (X)	3.77	5.83



RATING RATIONALE

WCRCL has assigned 'BBB3' (pronounced as Triple B Three) rating for the Long Term and 'ST-4' (pronounced as Short Term Four) rating for Short Term to **Hazi Shakhawat Anwara Eye Hospital Limited** (hereinafter referred to as 'HSAEHL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has assigned 'blr BBB3' (pronounced as Bank Loan Rating Triple B Three) rating to the long term loan outstanding and 'blr ST-4' (pronounced as Bank Loan Rating Short Term Four) rating to short term loan limit.

The above ratings have been assigned based on the fundamentals of the company which include financial and operational flexibility arising from Modern Group, experienced and proactive management, most of revenues of the company are realized in cash, good interest coverage position, satisfactory banking relationship, good infrastructural arrangement with state of art lab equipment's.

However, the above factors are constrained by average disclosure of financial statement, small scale of operation, decrease in all profitability indicators, increase in cost of services, moderate leverage position in the capital structure, stressed liquidity position, operational risk, quality control risk.

The long term rating implies that the entity is subject to medium credit risk. And considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the entity has the capacity to meet its financial commitment on the obligation; however, it may face uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

WCRCL also viewed the company with "Stable" outlook and believes that **HSAEHL** will be able to maintain its good fundamentals in the foreseeable future.

Analysts:

Md. Al Amin Jewel
jewel@wasocreditrating.com

Umme Fatima
fatima@wasocreditrating.com