

# INITIAL CREDIT RATING REPORT HANNAN TRADERS



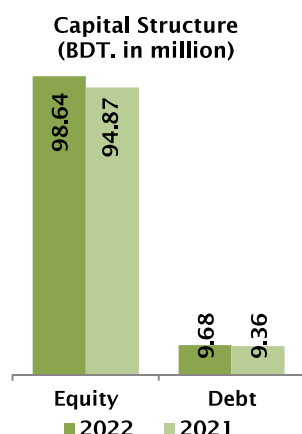
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## Key Snapshot:

| BDT. in million       |        |        |
|-----------------------|--------|--------|
| Particulars           | 2022   | 2021   |
| Revenue               | 169.41 | 149.82 |
| EBIT                  | 7.58   | 5.10   |
| Net Profit            | 7.52   | 5.05   |
| Total Assets          | 108.32 | 104.23 |
| Total Equity          | 98.64  | 94.87  |
| Debt                  | 9.68   | 9.36   |
| Net Profit Margin (%) | 4.4    | 3.4    |
| CCC (Days)            | 45     | 50     |
| ICR (X)               | 215.82 | 202.74 |



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| SME Rating | WCRSE/WCRME | Outlook | Date of Declaration | Date of Expiration |
|------------|-------------|---------|---------------------|--------------------|
|            | WCRSE 3     | Stable  | 12 March 2023       | 11 March 2024      |

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

**Methodology:** SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

## RATING RATIONALE

WCRCL has assigned 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Hannan Traders (hereinafter referred as "HT" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Regular loan repayment history
- Long experience track of the proprietor
- Owned business premises and storage facility
- Good liquidity position with short cash conversion cycle
- Good interest coverage position
- Low levered capital structure

However, the above rating has been moderated to some extent due to some factors like:

- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to above average level of credit worthiness in relation to other small enterprises.

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