

INITIAL CREDIT RATING REPORT GAZI FISH



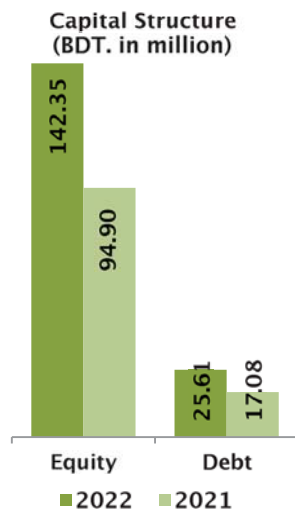
Ref. no.: FR/2023/33701

Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	2
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	4
Rating Observation	4

Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	176.21	117.47
EBIT	30.57	20.38
Net Profit	26.57	17.71
Total Assets	167.97	111.98
Total Equity	142.35	94.90
Total debt	25.61	17.08
Net Profit Margin (%)	15.1%	15.1%
CCC (Days)	29	35
ICR (X)	29.30	29.32



Analysts:

Nazrul Islam
nazrul@wasocreditrating.com

Monira Islam
monira@wasocreditrating.com

SME Rating	Rating Notches	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	08 August 2023	07 August 2024

Financial Based on—unaudited financial statements up to 31 December 2022.

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

RATING RATIONALE

WCRCL has assigned 'WCRSME3' (pronounced as WASO Credit Rating Small & Medium Enterprise Three) rating under the SME Rating to Gazi Fish (hereinafter referred as "GF" 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:

- Long business experience of the proprietor in the business
- Low levered capital structure
- Comfortable interest coverage position
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Owned business premises and storage facility

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

- Poor disclosure of financial statements
- Tight liquidity position with long cash conversion cycle
- No insurance coverage for the inventory in stock
- Manual accounting system

The rating implies that the enterprise has an above average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that GF will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.