

# 7<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT HANYOUNG ELECTRIC HOUSE

Ref. no.: FR/2023/32005



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

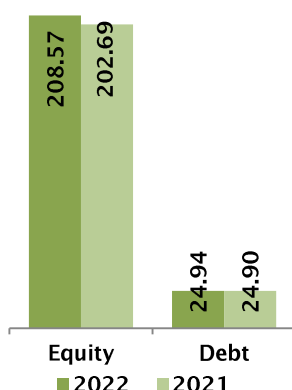
WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Bank	Mode	Limit	Outstanding Amount	Outstanding Date
Janata Bank Limited	CC (Hypo)	10.00	8.58	11.06.2023
BRAC Bank Ltd.	Term Loan	9.50	6.25	11.06.2023

## Key Snapshot:

Particulars	2022	2021
Revenue	181.03	153.89
EBIT	30.44	27.31
Net Profit	27.34	24.35
Total Assets	233.51	227.58
Total Equity	208.56	202.68
Debt	24.94	24.89
Net Profit Margin (%)	18.1	15.80
Quick Ratio (X)	3.71	4.27
Debt/Equity (X)	0.12	0.12
ICR (X)	14.17	13.41

## Capital Structure (BDT. in million)



## Analysts:

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**Financial Based on-** Audited financial statements up to 31 December 2022.

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

## RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Hanyoung Electric House** (hereinafter referred to as '**HEH**' or '**The enterprise**') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above ratings have been assigned based on the fundamentals of the enterprise which include positioning of selling point at prime area, long business experiences of the proprietor, good personal net worth of the proprietor, sales revenue was in increasing trend, low leverage position in the capital structure, good interest coverage position, comfortable security arrangement, having sister concern support.

However, the above factors are constrained to some extent by average disclosure in the financial statement, market saturation or high competition, tight liquidity position and vulnerability in price in the local markets, proprietorship concern has low legal obligation as an entity.

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 **HEH** will be able to maintain its good fundamentals in the foreseeable future.