

Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Market Review	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	
Rating Observation	5

	Rating Noch	Outlook	Date of Declaration	Date of Expiration
SME Rating	WCRSME3	Stable	30 August 2023	29 August 2024

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small And Medium enterprise Three) rating under the SME Rating to D.H Packaging Industries Limited (hereinafter referred as "DHPIL" or "The Company") 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 company which includes:

- Experienced and skilled management
- Good business network
- Owned business premises and storage facility
- Low levered capital structure
- Satisfactory banking relationship
- Good mortgage security coverage against loan

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

- Low disclosure in the financial statements.
- Tight liquidity position considering long cash conversion cycle
- No insurance coverage for the inventory in stock
- Manual accounting system

The SME rating implies that the company is adjudged to above average credit quality.

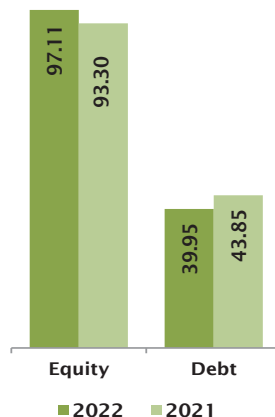
WCRCL also viewed the company with "Stable" outlook and believes that DHPIL will be able to maintain its good fundamentals in the foreseeable future.

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 changes in any macro and micro factors in the economy.

Key Snapshot:

Tk. in million			
Particulars	2022	2021	
Revenue	250.00	237.53	
EBIT	24.50	19.81	
Net Profit	22.50	18.06	
Total Assets	137.06	137.15	
Total Equity	97.11	93.30	
Total debt	39.95	43.85	
Net Profit Margin (%)	9.0	7.6	
CCC (Days)	142	152	
ICR (X)	12.25	11.35	

Capital Structure (BDT. in million)



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