

INITIAL CREDIT RATING REPORT ENA BUILDING PRODUCT LIMITED

Ref. no.: CRAR-17885/2023



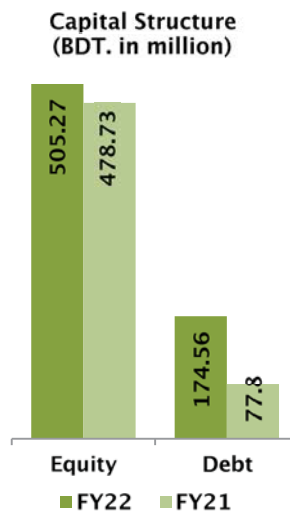
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Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	465.29	451.74
EBIT	73.81	80.78
Net Profit	41.27	36.68
Total Assets	648.75	623.13
Total Equity	343.32	302.05
Debt	305.43	321.08
Net Profit Margin (%)	8.9%	8.1%
CCC (Days)	234.87	243.87
ICR (X)	4.97	3.06



Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB-	ST 4	Stable	10 October 2023	09 October 2024

BDT. In million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount as on 30.09.2023	Bank Loan Rating
IFIC Bank PLC	Term Loan	297.44	328.48	blr BBB-

Financial Based on-Management Prepared financial statements Up to 30 June 2022.

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

RATING RATIONALE

WCRCL has assigned **BBB-** (pronounced as Triple B Minus) rating for the Long Term and **ST 4** (pronounced as Short Term Four) rating for Short Term to **ENA Building Product Limited** (hereinafter referred to as 'EBPL or 'the company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the company which include experienced and proactive management, strong group support- "ENA Group", availability of the supply of raw materials, sales revenue was in increasing position FY22, and good debt coverage position. However, the above factors are constrained by average disclosure in the financial statements, volatile construction raw material price, moderate levered in the capital structure, stressed liquidity position with low quick ratio and long cash conversion cycle, and no insurance coverage.

The long term rating implies that the entity has below average credit quality. The short term rating implies that the entity has a below average ability to meet short term financial commitments.

WCRCL also viewed the company with "Stable" outlook and believes that EBPL 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.