

4th SURVEILLANCE CREDIT RATING REPORT HAZI GENERAL STORE



Ref. no.: CRAR-6375/2023

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

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	14 November 2023	19 November 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank PLC	CC (H)	3.50	3.01	12.11.2023

BDT. in million

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

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

Key Snapshot:

Particulars	2022	2021
Revenue	6.55	5.70
EBIT	1.98	1.68
Net Profit	1.80	1.51
Total Assets	7.12	6.57
Total Equity	2.04	1.92
Debt	5.07	4.65
Net Profit Margin (%)	27.5	26.4
CCC (Days)	442	428
ICR (X)	16.18	15.04

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME4' (pronounced as WASO Credit Rating Small and Medium Enterprise Four) rating under the SME Rating to Hazi General Store (hereinafter referred as "HGS" 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
- Good business network
- Comfortable interest coverage position
- Satisfactory banking relationship

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

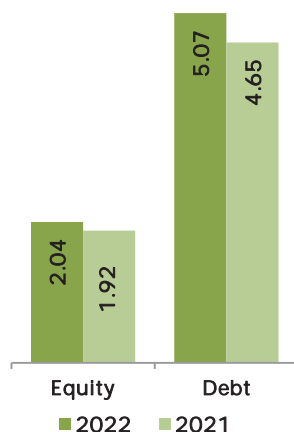
- Low disclosure in the financial statements
- Tight liquidity position considering long cash conversion cycle
- Inventory holding risk
- High levered capital structure
- Manual accounting system

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

WCRCL also viewed the enterprise with "Stable" outlook and believes that HGS 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.

Capital Structure
(BDT. in million)



Analysts:

Mst. Irin Akter
irin@wasocreditrating.com

Monira Islam
monira@wasocreditrating.com