

INITIAL CREDIT RATING REPORT  
FAYSAL ENTERPRISE



Ref. no.: CRAR-18879/2023

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	26 December 2023	25 December 2024

*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 and Medium Enterprise Three) rating under the SME Rating to Faysal Enterprise (hereinafter referred as "FE" 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
- Low levered capital structure
- Good liquidity position
- 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 security arrangement
- Manual accounting system

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

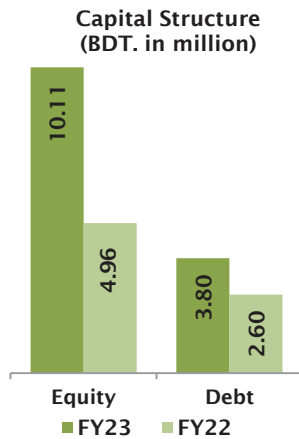
WCRCL also viewed the enterprise with "Stable" outlook and believes that FE will be able to maintain its good fundamentals in the foreseeable future.

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.

Key Snapshot:

*BDT. in million*

Particulars	FY23	FY22
Revenue	114.15	57.40
EBIT	6.15	5.09
Net Profit	5.43	4.36
Total Assets	13.91	7.56
Total Equity	10.11	4.96
Total debt	3.80	2.60
Net Profit Margin (%)	4.8	7.6
ICR (X)	87.66	24.70



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