

INITIAL CREDIT RATING REPORT  
HAZI ENTERPRISE



Ref. no.: CRAR/18481/2023

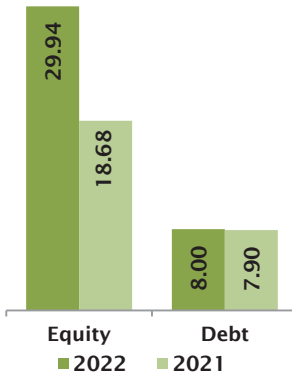
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Key Snapshot:

Particulars	BDT. in million	
	2022	2021
Revenue	71.15	59.09
EBIT	8.55	6.26
Net Profit	8.19	6.17
Total Assets	37.94	26.58
Total Equity	29.94	18.68
Total debt	8.00	7.90
Net Profit Margin (%)	11.5	10.4
CCC (Days)	90	70
ICR (X)	24.09	74.55

Capital Structure  
(BDT. in million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	23 November 2023	22 November 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 Three) rating under the SME Rating to Hazi Enterprise (hereinafter referred as "HE" 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
- Good Profitability margin
- Low levered capital structure
- Comfortable interest coverage position
- 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
- Small Scale in the business
- Tight liquidity position considering long cash conversion cycle
- 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 HE 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.