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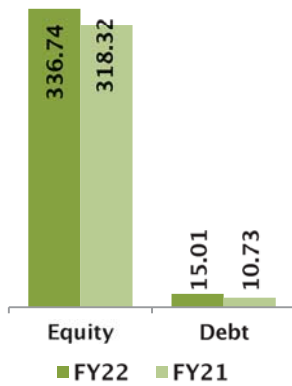
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Key Snapshot:

BDT. in million

Particulars	FY22	FY21
Revenue	234.17	98.00
EBIT	9.87	2.81
Net Profit	6.69	1.14
Total Assets	351.75	329.05
Total Equity	336.74	318.32
Total debt	15.01	10.73
Net Profit Margin (%)	2.9	1.2
CCC (Days)	104	228
ICR (X)	4.37	2.39

**Capital Structure
(BDT. in million)**



Analysts:

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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME2	Stable	23 November 2023	22 November 2024

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

Financial Based on-audited financial statements up to 30th June 2022

RATING RATIONALE

WCRCL has upgraded 'WCRSME2' (pronounced as WASO Credit Rating Small and Medium Enterprise Two) rating under the SME Rating to DZN Labels Limited (hereinafter referred as "DZNLL" 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, Owned business premises and storage facility, Good business network, Have few fixed buyers, Low levered capital structure, Good liquidity position, Comfortable interest coverage position and Satisfactory banking relationship

However, the above rating has been moderated to some extent due to some factors like Average disclosure in the financial statement, Manual accounting process, Volatile market price of the raw materials and adverse shock in RMG industry may affect revenue growth

The SME rating implies that the company has very strong credit quality.

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