

## PRESS RELEASE

### OLIZ STORE PRIVATE LIMITED

June 2026

#### Ratings

Instrument/Facilities	Amount (NPR Mn)	Rating	Rating Action
Long-Term Bank Facilities	10.84	IRN BB-	Assigned
Short-Term Bank Facilities	689.16	IRN A4	Assigned
<b>Total</b>	<b>700.00</b>		

\*Details of facilities are in Annexure I below

Infomerics Credit Rating Nepal Limited (Infomerics Nepal) has assigned the rating of IRN BB- (Double B Minus) to the long-term bank facilities of NPR 10.84 Mn and IRN A4 (A Four) to the short-term bank facilities of NPR 689.16 Mn.

#### Detailed Rationale

The ratings assigned to the bank facilities of Oliz Store Private Limited (OLIZ) derive strength from its experienced promoters having decades of experience in Information Communication and Technology (ICT) sector. The ratings also factor in the moderate track record of operations with improving scale of operations, association with established brands, and diverse market presence across major cities via retail outlets and digital presence.

These rating strengths, however, are constrained by leveraged capital structure of the company with moderate coverage indicators, marked by working capital-intensive nature of operations with high reliance on external financing. The ratings also consider OLIZ's exposure to intense market competition, technology obsolescence risks, foreign exchange rate fluctuation risks and regulatory risks. Going forward, the ability of the company to improve scale of operations and profitability along with coverage and capitalization indicators will remain key rating sensitivities.

#### Detailed Description of Key Rating Drivers

##### Key Rating Strengths

##### Moderate track record of operations with experienced promoters

OLIZ has been operational since 2010 in the Nepalese tech-retail market. The company is promoted and managed under Mr. Chetan Prasad Oli, Chairman and Mr. Lokesh Oli, Managing Director. The promoters have ~30 years of experience, primarily in ICT (Information Communication Technology) sector, which bodes well for the overall business prospects of the firm in a competitive industry.

##### Moderate financial profile

OLIZ's TOI has steadily improved in the past three fiscal years increasing from NPR 854 Mn in FY23 to NPR 1,493 Mn in FY25. Prior to that, the revenue plummeted ~44% in FY23 from NPR 1,521 Mn in FY22 (FY21: NPR 831 Mn), primarily resulted from Government of Nepal (GoN)'s restriction on import of luxury and non-essential goods including mobile phones over \$600 in April 2022 till December 2022. The EBITDA margin, which stood at 6.16% in FY22, improved to 8.26% in FY23; however, it moderated to 7.76% in FY24 and further to 6.50% in FY25. The PAT margin fluctuated over the past five years, at ~1-3%, reporting at 1.39% in FY25 deteriorated from 3.23% in FY24.

##### Established distribution, brand and market presence across major cities

OLIZ primarily deals with Apple products, with strong brand recognition, brand recall and high demand from the consumers. OLIZ primarily caters to the urban market with fifteen retail outlets across major cities of the country. Also, the company's strong digital presence further enhances its market reach among the consumers.

## Key Rating Weaknesses

### Moderate capital structure and debt coverage indicators

OLIZ's capital structure remained moderately leveraged, with an overall gearing ratio of 2.48x as on mid-July 2025, deteriorating from 1.99x as on mid-July 2024 (FY23: 1.43x). The elevated leverage position in FY25 is primarily attributable to higher utilization of short-term borrowings to fund working-capital requirements. Similarly, the TOL/TNW ratio stood at 3.56x in FY25, increased from 3.00x in FY24 (FY23: 2.16x). The company's coverage indicators also remain moderate with interest coverage ratio standing at 2.18x in FY25 compared to 2.75x in FY24 and 2.10x in FY23. The marginal deterioration in FY25 was mainly due to increased interest expenses and slight deterioration in EBITDA. Likewise, the DSCR moderated to 2.31x in FY25 compared to 2.72x in FY24 (FY23: 1.78x).

### Working capital intensive nature of operations

The operations of OLIZ are working capital intensive owing to the nature of its trading business. The company's working capital intensity remained at ~35-36% over the past three fiscal years ending FY25, driven primarily by a longer inventory holding period of 129 days in FY25 and 120 days in FY24, albeit reduced from 150 days in FY23. The company maintains high inventory for smooth operations, especially since the product supply is highly dependent on imports. The average collection period improved to 20 days in FY25 from 21 days in FY24 and 32 days in FY23. OLIZ's creditors days has remained low averaging ~31 days over the past three years. As a result, operating cycle remained at 116 days in FY25 and 110 days in FY24 (FY23: 151 days).

### Competitive industry coupled with technological risks

The technology market is characterized by short product life cycles, accelerated technology obsolescence due to rapid developments in technology and intense competition between global manufacturers. Hence, the performance scale of operations and profitability of OLIZ are correlated to the brand value, market share and performance of original equipment manufacturers (OEM).

### Regulatory risks and exposure to foreign exchange fluctuations

OLIZ's operations are exposed to regulatory risks arising from various laws, regulations and policies relating to computing devices and other technological gadgets and their imports, also evident from past import restrictions on luxury items, including technological devices. Additionally, OLIZ is exposed to foreign exchange fluctuation risks due to a mismatch in currency as a large volume of products are imported in foreign currency while realization is in the local currency.

**Analytical Approach:** Standalone

### Applicable Criteria:

[Corporate Credit Rating Methodology](#)

### About the Company:

Oliz Store Private Limited (OLIZ), incorporated on November 02, 2010, is involved in trading technological gadgets and accessories (mobile phones, laptops, cameras, drones, etc.) of various global brands, primarily Apple Inc products. The company has its registered office at Kathmandu, Nepal and operates through fifteen retail outlets across major cities of Nepal. As of mid-July, 2025, entire shareholding of OLIZ is held by Mr. Chetan Prasad Oli (50%) and Mr. Lokesh Oli (50%).

### Financial Indicators:

For the year ended* As on	FY21	FY22	FY23	FY24	FY25
	Audited	Audited	Audited	Audited	Audited
Total Operating Income (NPR Mn)	831	1,521	854	1,319	1,493
EBITDA Margin (%)	5.42	6.16	8.26	7.76	6.50
Interest Coverage Ratio (x)	4.61	4.63	2.10	2.75	2.18

Current Ratio (x)	1.31	1.34	1.50	1.28	1.21
Total Debt/GCA (years)	4.49	5.25	8.07	6.03	6.89
Overall Gearing Ratio (x)	2.44	2.51	1.43	1.99	2.48
TOL/TNW (x)	4.04	3.39	2.16	3.00	3.56

\*Classification as per Infomerics Nepal standards

Earnings Before Interest Tax Depreciation Amortization (EBITDA)

TOL/TNW: Total Outside Liabilities/Tangible Net Worth (TOL/TNW)

## Annexure:1 Detail of Facilities

Instruments/ Facilities	Type of Facilities	Amount (NPR Mn)	Rating
Fund Based Bank Facilities- Term Loan	Long Term	10.84	IRN BB-
Fund Based Bank Facilities- Trust Receipt	Short Term	400.00	IRN A4
Non-Fund Based Bank Facilities- LC <sup>1</sup>	Short Term	150.00	IRN A4
Non-Fund Based Bank Facilities- Proposed	Short Term	139.16	IRN A4
<b>Total Facilities</b>		<b>700.00</b>	

<sup>1</sup>Letter of Credit

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## About Infomerics Credit Rating Nepal Limited:

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