

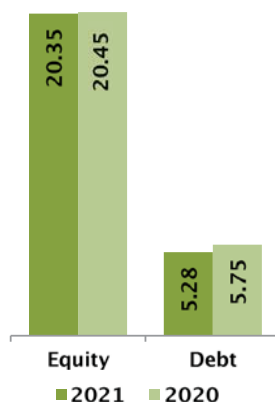
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Key Snapshot:

| Particulars | 2021 | 2020 |
|-----------------------|-------|-------|
| Revenue | 72.35 | 94.27 |
| EBIT | 8.00 | 9.36 |
| Net Profit | 7.50 | 8.71 |
| Total Assets | 25.63 | 26.72 |
| Total Equity | 20.35 | 20.45 |
| Total debt | 5.28 | 5.75 |
| Net Profit Margin (%) | 10.4% | 9.2% |
| CCC (Days) | 49 | 51 |
| ICR (X) | 16.00 | 15.60 |

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



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| SME Rating | WCRSE/WCRME | Outlook | Date of Declaration | Date of Expiration |
|------------|-------------|---------|---------------------|--------------------|
| | WCRSE 3 | Stable | 27 December 2022 | 20 December 2023 |

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

| Bank Name | Mode of Investment | Sanctioned Amount | Outstanding Amount | Date of Outstanding |
|---------------------|--------------------|-------------------|--------------------|---------------------|
| | CC (H) | 3.00 | 2.95 | |
| Uttara Bank Limited | LC | 5.00 | 2.14 | 30.11.2022 |
| | LTR | 2.00 | 2.03 | |

Financial Based on—Unaudited financial statements up to 31st December 2021.

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

RATING RATIONALE

WCRCL has re-affirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Golden Moon Knit & Textile Machineries** (hereinafter referred as "GMKTM" 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:

- Skilled management
- Highly satisfactory banking relationship
- Good interest coverage position
- Low levered capital structure
- Owned business showroom
- Good loan utilization ratio

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

- Tight liquidity position with long cash conversion cycle
- Moderate security coverage against loan
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged **above average level** of credit worthiness in relation to other small enterprises.

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