

1st SURVEILLANCE CREDIT RATING REPORT MODERN KNIT-WEAR LIMITED

Ref. no.: FR/2023/31579



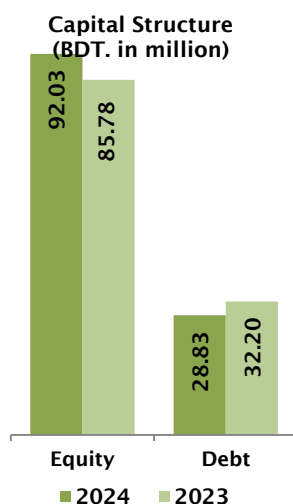
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Key Snapshot:

Tk. in Million

Particulars	2024(P)	2023(P)
Revenue	357.88	292.74
EBIT	36.26	28.54
Net Profit	33.64	26.05
Total Assets	120.86	117.98
Total Equity	92.03	85.78
Debt	28.83	32.20
Net Profit Margin (%)	9.4	8.9
CCC (Days)	36	41
ICR (X)	16.13	13.37



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 4	Indicative	31 May 2023	30 May 2024

*WCRSE 4 rating is equivalent to Bangladesh Bank SME rating scale of SME 4 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Financial Based on- Projected audited financial statements up to 31st December 2024.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 4' (pronounced as WASO Credit Rating Small Enterprise Four) rating to Modern Knit-Wear Limited (hereinafter referred to as 'MKWL' 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
- Good business network
- Low levered capital structure
- Market channel will establish quickly as the Company already has good connection with this industry

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

- Market saturation or high competition
- Newly business of operation
- Projected financial statement
- No insurance coverage

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

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