

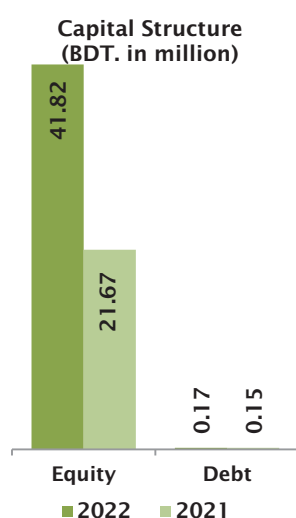
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Key Snapshot:

BDT. in million

Particulars	FY-22	FY-21
Revenue	283.62	199.96
EBIT	27.27	15.65
Net Profit	20.16	10.10
Total Assets	41.99	21.82
Total Equity	41.82	21.67
Total debt	0.17	0.15
Net Profit Margin (%)	7.1%	5.0%
CCC (Days)	19	3
ICR (X)	6.95	5.19



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	07 November 2023	06 November 2024

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **Dolphin Generation Knitwear Limited** (hereinafter referred as "DGKL" 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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Regular loan repayment history
- Owned business premises and storage facility
- Liquidity position was good evident by short cash conversion cycle
- Good interest coverage position
- Low levered capital structure

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

- No Transport Facility
- Employee Productivity and Attendance
- Competitiveness in the Market
- Logistics and Supply Chain Efficiency
- Inventory Management Challenges

The SME rating implies that the Company has above average credit quality.

WCRCL also viewed the Company with "Stable" outlook and believes that **DGKL** 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.