

1st SURVEILLANCE CREDIT RATING REPORT SUNMOON METAL WORKS



Ref. no.: FR/2023/032060

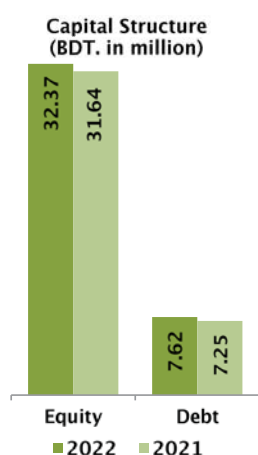
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	57.80	53.27
EBIT	4.79	4.00
Net Profit	3.58	3.04
Total Assets	40.00	38.89
Total Equity	32.37	31.64
Total debt	7.62	7.25
Net Profit Margin (%)	6.2	5.7
CCC (Days)	122	120
ICR (X)	12.34	17.95



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	11 June 2024

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

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank Bangladesh Limited	BMTR	5.50	5.18	11.06.2023

Financial Based on—unaudited financial statements up to 31st December 2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Sunmoon Metal Works (hereinafter referred as "SMW" 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:

- Experienced and skilled management
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Good interest coverage position
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- Rented business premises
- Average disclosure of financial statements
- Low management information system (MIS)

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

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