

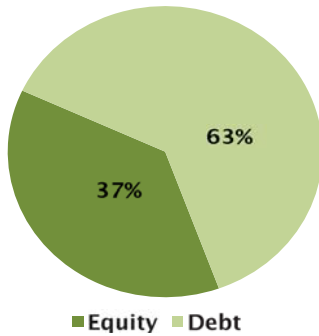
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Key Snapshot: BDT. in million

Particulars	FY22
Revenue	122.00
EBIT	4.15
Net Profit	0.89
Total Assets	29.08
Total Equity	10.89
Debt	18.19
Net Profit Margin (%)	0.7
CCC (Days)	23
ICR (X)	1.69

Capital Structure
(BDT. in million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	28 December 2023	27 December 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 **Future-Knit Composite Ltd.** (Here in after referred as “**FKCL**” 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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Medium disclosure in the financial statements

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

- Highly levered capital structure
- Tight liquidity position considering
- Low interest coverage ratio
- Manual accounting system

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

WCRCL also viewed the company with “Stable” outlook and believes that **FKCL** 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.