

2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT  
GMG AIRLINES LIMITED



Ref. no.: CRAR-12286/2023

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	B+	ST 6	Negative	26 December 2023	22 December 2024

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
National Bank Limited	Term Loan	2024.20	2322.05	03.12.2023
Sonali Bank PLC	Term Loan		1505.01	30.06.2023

Tk. in Million

Financial Based Audited financial statements up to 30<sup>th</sup> June 2023.

Methodology: SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

Key Snapshot:

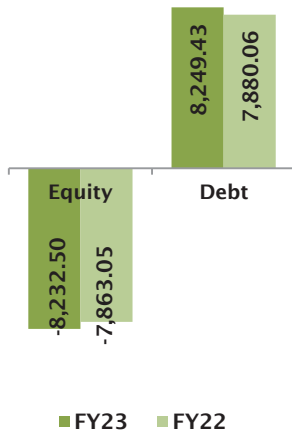
BDT. in million

Particulars	FY23	FY22
EBIT	-8.71	-8.86
Net Profit	-369.45	-402.27
Total Assets	16.93	17.01
Total Equity	-8,232.5	7,863.0
Debt	8,249.4	7,880.0
ICR (X)	-0.02	-0.02

RATING RATIONALE

WCRCL has reaffirmed 'B+' rating (pronounced as single B Plus) for the long term and 'ST 6' rating (pronounced as Short Term Six) for the short term to GMG Airlines Limited (hereinafter referred to as 'GMGAL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has also assigned 'blr B+ rating (pronounced as bank loan rating Single B one) to aggregate long term loan limit. The above ratings have been assigned based on strong group support from BEXIMCO. However, the above factors are constrained to some extent by negative profitability, poor / irregular banking conduct with the overdue and rescheduling history, regular business operation has been suspended.

Capital Structure (BDT. in million)



The long term rating implies that the company is considered Significantly below average credit quality. The short term rating implies that the company is in default (Failed to meet their short term financial commitments).

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WCRCL also viewed the enterprise with "Negative" outlook and believes that GMGAL 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.