



September 17, 2025

Mr. Shakhawat Hossain

Managing Director

Paramount Textile PLC

House-22, Road-113/A, Gulshan Circle-2, Dhaka-1212

Subject: Credit Rating Report of "Paramount Textile PLC".

Dear Sir,

We are pleased to inform you that Emerging Credit Rating Limited (ECRL) has assigned the following rating to **"Paramount Textile PLC"**.

Valid From	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
September 16, 2025	September 15, 2026	Initial	AA	ST-1	Stable

The long term and short rating is valid up to limit expiry date of respective credit facility or **September 15, 2026** whichever is earlier. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

We hope the rating will serve the intended purpose of your organization.

Yours Sincerely,

Arifur Rahman FCCA, FCA, CSAA
Chief Ececutive Officer

Enclosed: Each Three copies of credit rating report of **"Paramount Textile PLC"**.

Credit Rating Report
Of
Paramount Textile PLC





EMERGING

Credit Rating Ltd

Paramount Textile PLC

Credit Rating Report *(Agreement No: 2025-08-21-92556)*

Valid From	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
September 16, 2025	September 15, 2026	Initial	AA	ST-1	Stable

Date of Incorporation : June 12, 2006

Managing Director : Mr. Shakhawat Hossain

Authorized Capital : BDT 5,000.00 million

Paid up Capital : BDT 1,791.17 million (As on March 31, 2025)

Loan Limit : Composite Facilities **BDT 33,575.50 million**

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Arifur Rahman FCCA, FCA, CSAA
Chief Executive Officer
Emerging Credit Rating Limited

**Credit
Analysis**

Entity Rating

Emerging Credit Rating Ltd

Entity Rating

CREDIT ANALYSIS

2025 Initial Review

Paramount Textile PLC

Major Rating Factors

Strengths

- Experienced management team
- Robust client base led to strong revenue growth
- Support from Group of companies
- Positive cash flow from operation

Challenge/ Risks

- High leveraged position exposes to financial risks
- High finance cost is placing downward pressure on net profitability
- Highly competitive industry

Rationale

Emerging Credit Rating Limited (ECRL) has assigned **AA** (Pronounced as Double A) long term credit rating and **ST-1** short term credit rating to Paramount Textile PLC (hereinafter referred as the 'Company' or 'PTPLC' or 'Paramount Textile'). The outlook on the rating is **Stable**. The ratings are consistent with ECRL's rating methodology for this type of company. Paramount Textile PLC is a concern of "Paramount Group", established with a vision to produce and exported close to billion yards of fabrics all over the world. Moreover, capacity has grown rapidly ever since and Paramount Textile has now emerged as one of the leading manufacturers in Bangladesh with the help of latest machinery and equipment, efficient workforce and extensive experience. The rating takes into account business profile, group strength, prospective trend of the business, balance sheet strength and loan repayment history. The rating is based on the audited financial statements from FY2022-FY2024, FY2025 nine-month data taken from audited financial statement and other management information along with other relevant information till date.

The rating reflects a balance between the company's strengths and challenges. On the positive side, the key drivers include consistent revenue growth, positive cash inflows from operating activities, strong support from its group of companies, and a well-established, experienced management team. However, the company continues to face notable challenges, including a highly leveraged financial position that heightens exposure to financial risks, elevated financing costs that place pressure on net profitability, and intense industry competition that may constrain future growth prospects.

Paramount Textile PLC, established in Bangladesh on June 12, 2006, and publicly listed on the Dhaka and Chittagong Stock Exchanges in November 2013, is a textile manufacturing company. It specializes in the production and marketing of woven fabrics, including 100% cotton yarn dyed fabrics, cotton solid white fabrics, striped and check shirts, and stretch fabric. These products are primarily supplied to export-oriented garment industries in Bangladesh, operating under a "deemed export" model that qualifies for export facilities. The company's manufacturing facility, located in Sreepur, Gazipur, spans 35 acres and employs over 4,000 individuals. Paramount Textile PLC has expanded its production capacity and reach since commencing commercial operations in 2008. The company has two subsidiaries Paramount Solar Ltd and Intraco Solar Power Ltd. In addition, the company has also two associate company Paramount BTrac Energy Ltd. and Dynamic Sun Energy Pvt Ltd.



Paramount Textile PLC achieved notable revenue growth in FY2024 by diversifying its product portfolio and slightly expanding the capacity of its existing products. The company's focus on becoming a sustainable and eco-friendly manufacturer has further strengthened its market positioning, enabling it to attract a wider client base. According to its financial statements, Paramount Textile PLC reported revenue of BDT 10,072.44 million in FY2024, reflecting a strong 16.99% increase from BDT 8,609.80 million in FY2023. This performance highlights the company's ability to enhance sales volume and market presence, as evidenced by revenue of BDT 8,514.62 million already recorded in the nine months ending March 31, 2025. The cost of sales (COGS) also rose in line with production activity, increasing by 16.31% to BDT 8,475.33 million in FY2024 from BDT 7,286.64 million in FY2023. Despite higher production costs, the company successfully preserved profitability at the gross level, with the gross profit margin improving to 19.34% in FY2024 from 15.37% in the prior year. However, the net profit margin declined to 10.02% in FY2024 compared to 11.67% in FY2023, largely due to elevated finance costs. Consequently, net profit after tax stood at BDT 1,009.33 million during the period under review.

Over the years, the company has maintained adequate liquid assets to meet its short-term debt obligations, as reflected in its stable liquidity ratios. However, in the review period, the inventory turnover period increased from 173 days in FY2023 to 231 days in FY2024, signaling a slower conversion of inventory into sales. This trend is consistent with the significant rise in inventory levels. As a result, the cash conversion cycle extended from 206 days in FY2023 to 283 days in FY2024 and further to 291 days during the nine-month period of FY2025. Despite this, the company has historically generated positive cash flows from operating activities, and a notable improvement was recorded in the nine months of FY2025, with cash flow from operations (CFO) increasing to BDT 757.02 million. This reflects a strong rebound in operational cash generation. From a capital structure perspective, the company continues to exhibit high leverage, relying primarily on long-term debt financing. Both total borrowings and equity have increased across the reporting periods, contributing to fluctuations in revenue performance. The debt-to-equity ratio stood at 3.02 times in FY2024, up from 2.58 times in FY2023, before moderating slightly to 2.80 times as of the nine-month period of FY2025.

According to the consolidated financial statements, the company's revenue has exhibited an upward trend over the reported years. In FY2024, revenue reached BDT 11,174.24 million, reflecting a growth rate of 18.07%. While both the gross profit margin and operating profit margin improved during the year, the net profit margin declined. Additionally, the consolidated debt-to-equity ratio indicates that the company remains highly leveraged.

The Paramount Textile PLC maintains a large credit limit from various financial institutions the repayment history of the Paramount Textile PLC is fairly regular with some minor overdues. Total outstanding has been recorded as BDT 23,569.74 million against the total limit of BDT 33,575.50 million as of the mentioned date.

ECRL views the Paramount Textile's outlook as **Stable** due to revenue growth, stable liquidity indicators and regular repayment history.

Arifur Rahman FCCA, FCA, CSAA
Chief Executive Officer
Emerging Credit Rating Limited


Exhibit 1: Financial Highlights: Paramount Textile PLC

FYE 30 June	2025	2024	2023	2022
Period (Months)	9 M	12 M	12 M	12 M
Revenue (BDT in Millions)	8,514.62	10,072.44	8,609.80	6,615.53
Revenue Growth (%)	*12.71	16.99	30.15	-
COGS (BDT in Millions)	6,867.70	8,475.33	7,286.64	5,619.90
COGS Growth (%)	* 8.04	16.31	29.66	-
Operating Profit (BDT in Million)	1,390.80	1,305.57	1,033.08	715.39
Net Profit After Tax (BDT Millions)	812.99	1,009.33	1,005.17	760.01
Gross Profit Margin (%)	19.34	15.86	15.37	15.05
Operating Profit Margin (%)	16.33	12.96	12.00	10.81
Net Profit Margin (%)	9.55	10.02	11.67	11.49
Current Ratio (x)	1.12	1.33	1.03	1.10
Cash Conversion Cycle (Days)	291	283	275	176
Debt-to-Equity (x)	2.80	3.02	2.58	2.49
ROA (%)	2.94	3.89	4.93	4.44
ROE (%)	11.46	15.83	17.91	15.77
CFO (BDT in Millions)	757.02	561.07	935.29	571.59

FY2022-2024 data taken from audited financial statement

FY2025 nine-month data taken from audited financial statement

* Represents annualized growth

Exhibit 2: Nine-Month Financial Highlights: Paramount Textile PLC

Particulars	FY 2025 9M	FY 2024 9M
Revenue (BDT in Millions)	8,514.62	7,289.45
Cost of Sales (BDT in Millions)	6,867.70	6,107.31
Revenue Growth (%)	16.81	-
Gross Profit (BDT in Millions)	1,646.92	1,182.15
Gross Profit Margin (%)	19.34	16.22
Profit from Operations (BDT in Millions)	1,390.80	930.07
Operating Profit Margin (%)	16.33	12.76
Net Profit Margin (%)	9.55	8.97

Exhibit 3: Consolidated Key Financial Indicators of Paramount Textile PLC

Financial Year Ending: June	2025	2024	2023	2022
Period (Months)	9 M	12 M	12 M	12 M
Revenue (BDT in Millions)	9,438.12	11,174.24	9,463.82	6,615.53
Revenue Growth (%)	*12.62	18.07	43.05	-
COGS (BDT in Millions)	7,127.18	8,901.07	7,566.84	5,619.90
COGS Growth (%)	*6.76	17.63	34.64	-
Operating Income (BDT in Millions)	2,023.02	1,941.52	1,565.29	715.39
Net Profit After Tax (BDT Millions)	964.05	1,221.95	1,357.09	760.01
Gross Profit Margin (%)	24.49	20.34	20.04	15.05
Operating Profit Margin (%)	21.43	17.37	16.54	10.81
Net Profit Margin (%)	10.21	10.94	14.34	11.49
Current Ratio (x)	1.26	1.44	1.20	1.10
Cash Conversion Cycle (Days)	286	281	204	176
Debt to Equity Ratio (x)	3.17	3.52	3.23	2.49

* Represents annualized growth



A. BUSINESS DESCRIPTION

A.1. Company Background

Paramount Textile PLC is a textile manufacturing company engaged in the production and marketing of high-quality woven fabrics. The company was incorporated in Bangladesh as a private limited company on June 12, 2006, and transitioned to a public limited company on September 19, 2010. Commercial production commenced within two years of incorporation, by 2008. Paramount Textile PLC became listed with the Dhaka Stock Exchange Limited on November 06, 2013, and the Chittagong Stock Exchange Limited on November 10, 2013. The company has two subsidiaries Paramount Solar Ltd and Intraco Solar Power Ltd. In addition, the company has also two associate company Paramount BTrac Energy Ltd. and Dynamic Sun Energy Pvt Ltd.

The company's core operational activity involves the manufacturing and marketing of high-quality yarn, solid dyed, and printed woven fabrics. These products, which include 100% cotton yarn dyed fabrics, cotton solid white fabrics, striped and check shirts, and stretch fabric, are primarily supplied to export-oriented garment industries in Bangladesh. This business model operates as "deemed export," qualifying for export facilities such as duty-draw-back. Paramount Textile also maintains yarn dyeing and fabric processing facilities.

Headquartered in Dhaka, Paramount Textile operates a state-of-the-art manufacturing facility located in Sreepur, Gazipur just an hour's drive from Shahjalal International Airport. Spanning 35 acres, this facility employs over 4,000 skilled workers and is equipped with cutting-edge machinery and technologies. Since commencing operations, Paramount Textile PLC has rapidly expanded its production capacity and global reach.

A.2. Group Profile

Paramount Group is a notable business conglomerate in Bangladesh, with a history dating back to 1983 when it began its journey with Sunrise Chemicals. Over the years, the group has significantly expanded its presence in various sectors, both nationally and internationally, with a strong emphasis on building world-class infrastructure, utilizing advanced technology, maintaining high-quality standards, and fostering product innovation.

Exhibit 4: Group Concern: Paramount Group

SL.	Name of the Company
1	Paramount Textile PLC
2	Paramount Insurance Company Limited
3	Sunrise Chemical Industries Limited
4	Paramount Agro Limited
5	Paramount Holdings Limited
6	Paramount Spinning Limited
7	Intraco Solar Power Limited
8	Dynamic Sun Energy Pvt. Ltd.
9	Paramount B Trac Energy Limited
10	Foodex International Limited
11	Paramount Solar Ltd

A.3. Environmental Sustainability Initiatives

As part of its commitment to environmental stewardship and sustainable manufacturing, Paramount Textile PLC has implemented a range of eco-conscious initiatives aimed at reducing its ecological footprint while ensuring high-quality production standards.

Water Treatment Plant (WTP)

To support the consistent production of premium fabrics and minimize the environmental impact of its operations, Paramount has established a sophisticated Water Treatment Plant (WTP) within its manufacturing facility. This advanced system is specifically designed to reduce the iron content and water hardness, which enhances the color levels and strength of the yarn during the dyeing and finishing processes. By improving water quality at the source, the WTP significantly reduces the need



for chemical pre-treatments, thereby lowering the environmental load associated with conventional textile processing.

Effluent Treatment Plant (ETP)

Paramount Textile places a high priority on responsible waste management and water conservation. The company proudly operates an advanced Effluent Treatment Plant (ETP) to treat all consumed wastage water and purify wastewater generated from textile operations. Through a comprehensive biochemical treatment system, the ETP ensures that all used water is treated to meet environmental discharge standards before being safely released

Spanning 87,000 square feet and supported by a 1,500 square foot drainage network, the current facility has a treatment capacity of 3,600 cubic meters per day. In a forward-looking step toward enhanced sustainability, Paramount is in the process of establishing a new Biological Treatment Plant with an increased capacity of 4,800 cubic meters per day. This development marks a significant milestone in the company's ongoing efforts to strengthen its eco-friendly production practices and uphold its "Go for Green" vision.

In alignment with its broader "Go for Green" initiative, Paramount has also invested in green landscaping throughout its factory premises. Carefully planted trees and vegetation not only contribute to the reduction of carbon emissions but also help foster a healthier and more natural working environment for all employees. Alongside this to ensure harmless and user friendly fabric, Paramount Textile PLC has established high-tech lab and computer data processing system which is currently officially approved by H&M and waiting to get approvals from C&A, TEMA (LC WaIKIKI).

A.4. Products, Production Capacity & Infrastructure

The product range of Paramount Textiles PLC includes 100% cotton yarn dyed fabrics from plain weave to structured twills, dobby & satins. Product range includes the following is presented in the below mentioned table

Exhibit 5: Key Product Details: Paramount Textiles PLC

BASED ON YARNS:	100% Linen, 100% Hemp Linen/Hemp With Viscose/Cotton Supima, Organic And BCI Cotton Recycle Cotton + Cotton TC, CVC, TR Rayon Filament, Ecovero/Livaeco, Modal, Tencel Melange, Injected Slub, Grindle Linen + Cotton + Lycra Polyester + Lycra® With Cotton Us, CmiA Cotton Recycle Poly + Cotton Repreve® + Cotton + Viscose Coolmax®+ Thermolite® + Cotton
BASED ON WEAVES/ DESIGNS:	Plain, Oxford, Matt Twill, Herringbone, Satin Double/Triple Cloth, Swiss Dot, Bedford Cord, Extra Warp/Weft, Waffle, Crepe, Chambray, Fil-A-Fil, Prince Of Wales, Houndstooth, Ripstop, Voile, Flannel, Cavalry, Seersucker, 4-Way Stretch
BASED ON YARN COUNTS (NE):	7S To 120S 10 SLUB TO 40 SLUB 2/10S TO 2/120S (10+70D) To (20+70D) (30+40D) To (60+30D)



BASED ON FINISHES:	Silky Soft, Regular Soft, Airo, Pfd, Pure Easy Care, Wrinkle Free, Mercherized, Mechanical Stretch, Silk Protein, Chintz, Preshrunk, Paper Touch, Biopolish, Antiviral/Antimicrobial, Antislip/Skew Quick Dry, Water/Oil/Soil Repellent, Antistatic, Aloe Vera, Peach, Brush, Unsinged, Diamond Peach, Teflon TM , Flame Retardant, Cellulose Coating, Gauze/Cheese Effect
BASED ON DYESTUFFS	Reactive, Disperse, Vat, Pigment, Indigo, Flurescent, Natural
BASED ON PRINT TYPES	Reactive, Pigment, Discharge, Glitter, Burnout, Disperse, Puff, Pliss� 1200dpi Digital Printer

Exhibit 6: Production of Paramount Textiles PLC

Particulars	Category	2023-2024	2022-2023	2021-2022
Yarn Dyed Fabric	Installed Capacity	130,000 yds per day	130,000 yds per day	130,000 yds per day
	Actual Production	110,000 yds per day	110,000 yds per day	110,000 yds per day
	Utilization	84.62%	84.62%	84.62%
Dyed Yarn	Installed Capacity	38 ton/per day	38 ton/per day	38 ton/per day
	Actual Production	28 ton/per day	30.8 ton/per day	30 ton/per day
	Utilization	73.68%	81.05%	78.95%
Printing	Installed Capacity	27 ton/per day	27 ton/per day	24.80 ton/per day
	Actual Production	23.00 ton/per day	23.00 ton/per day	15.00 ton/per day
	Utilization	85.19%	85.19%	60.48%
Solid Dyed Fabric	Installed Capacity	80,000 yds per day	40,000 yds per day	40,000 yds per day
	Actual Production	62,000 ton per day	28,000 ton per day	35,000 ton per day
	Utilization	77.50%	70.00%	87.50%
Softflow	Installed Capacity	10 ton/per day	Not applicable	Not applicable
	Actual Production	5.6 ton/per day	Not applicable	Not applicable
	Utilization	56%	Not applicable	Not applicable

A.5. Recognition and Awards

As a socially responsible organization, Paramount Textile integrates eco-friendly practices and promotes safe, ethical working conditions across all operations. The company continually invests in minimizing occupational hazards, creating employment opportunities, and implementing sustainable initiatives. These values have earned Paramount Textile multiple National Export Trophies in recognition of its performance and contribution to the national economy. In addition, Paramount Textile PLC has earned numerous accolades and recognitions, a few of which are highlighted below.

1. National Export Trophy for the financial year 2010-2011, 2011-2012, 2013-14, 2014-2015, 2015-2016 & 2016-17.
2. International Trophy for quality from Global Trade Leaders Club, Paris.



3. 3rd, 5th, 6th 7th, 8th, 9th and 10th ICSB National Corporate Governance Award" from the Institute of Chartered Secretaries of Bangladesh in Textile & RMG Companies sector.
4. "Gold Trophy" for "ICMAB Best Corporate Award-2018, 2019, 2020, 2021 & 2022 from the Institute of Cost and Management Accountants of Bangladesh in Textile Manufacturing Category.
5. 2nd highest of the National Revenue Board under the textile & Spinning category

A.6. Design and Quality Control

Innovation is a cornerstone of Paramount Textile's operations. Paramount Textile places a strong emphasis on innovation and customer service. It has established two fully equipped design studios—one at its corporate office and another within the factory—and leverages advanced design software such as Textronics Design Dobby, Textronics Design 3D, and Koppermann Tex-Design Classic. A recently launched online design portal allows clients to explore design options aligned with current and future fashion trends, enhancing responsiveness and reducing development lead times.

The company maintains a high-tech laboratory, officially approved by H&M, for ensuring fabric quality and safety. Approvals from other global retailers such as C&A and TEMA (LC Waikiki) are currently in progress. Paramount Textile is also certified under the OEKO-TEX Standard 100, highlighting its commitment to environmentally safe production.

A.7. Capacity after Expansion

Exhibit 7: After the expansion the capacity will be

Particulars	Production capacity (per year)	Inhouse used	Revenue Generated capacity	YDS/Ton	If 100% capacity utilized	If 100% capacity utilized in USD
Yarn dyed fabric	46,800,000		46,800,000	YDS	11,793,600,000	112,320,000
Solid Dyeing	32,400,000		32,400,000	YDS	6,123,600,000	58,320,000
Soft flow dyeing	21,600,000		-	YDS	-	-
Yarn Dyeing	13,680	80%	2,736	Ton	459,648	4,378
Printing	14,328	75%	3,582	Ton	620,582	5,910
Total					17,918,280,230	170,650,288



B. INDUSTRY ANALYSIS

B.1 Textile Industry

The textile industry in Bangladesh, which is closely linked to the spinning sector, includes yarn production, fabric manufacturing, and dyeing-printing-finishing mills. It contributes over 13.00% to the country's GDP. The Bangladesh Textile Mills Association (BTMA) represents these manufacturers, fulfilling around 85.00% of the demand for knit fabrics and 40.00% for woven fabrics domestically. However, for high-end apparel production, Bangladesh still imports some textile inputs. The country has a cotton consumption capacity of 15 million bales but currently uses 8.50 million bales annually.

Snapshot of Industry

Items	Number
Number of yarn manufacturing mills	524
Annual yarn spinning capacity	4.4 million MT
Number of fabric manufacturing mills	979
Annual fabric manufacturing capacity	9.15 billion meters
Number of dyeing-printing-finishing mills	338
Annual processing capacity	5 billion meters
Total number of mills under BTMA	1,841
Total cotton consumption capacity	15 million bales (480 lb. bale)

Source: BTMA

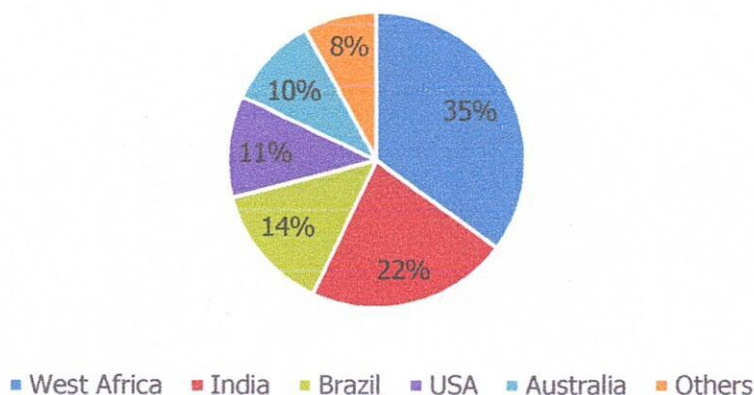
Yarn and Fabric Production to Rise

For the FY2024-FY2025, post projects a total yarn production of 1.70 million metric tons (MT), which includes 1.20 million MT of cotton yarn and 500 thousand MT of mixed yarn. This represents a 6.30% increase from FY2023-FY2024, attributed to higher imports and greater use of raw cotton. The FY2023-FY2024 yarn production is maintained at 1.60 million MT, with 1.20 million MT of cotton yarn and 400 thousand MT of mixed yarn, based on estimates of raw cotton usage. Additionally, Post forecasts fabric production for FY2024-FY2025 to reach 4.60 billion meters, a 2.20% rise from FY2023-FY2024, driven by the anticipated increase in yarn production.

Cotton Import in Bangladesh

As of August 2024, approximately 7.3 million 480-pound bales of cotton had been imported in Bangladesh. This was an increase from 2023, in which approximately seven million 480-pound bales of cotton were imported to Bangladesh. In marketing year (MY) 2024/25, Post forecasts cotton acreage and production slightly lower at 45,000 hectares and 153,000 bales, due to heavy rain in some cotton growing districts during the seed sowing period.

Cotton Import Market Share FY2024



Source: USDA, 2024

Nevertheless, Bangladesh's textile industry, a cornerstone of its economy, is facing mounting challenges as garment makers, particularly knitwear manufacturers, increasingly turn to imported yarn and fabrics despite significant domestic investments. In 2024, Bangladesh's cotton yarn imports surged by 39.00%, reaching a record expenditure of USD 2.28 billion. Besides, fabric imports by knitwear factories rose by 38.00%, costing the country another USD 2.59 billion. A significant portion of these imports came from India, heightening competition for domestic suppliers. This trend is perplexing given the sector's substantial expansion in recent years. However, BTMA data shows that two years ago, local mills supplied around 85% of the yarn for knitwear exports. As per textile mill owners, production costs have increased by 30.00% over the last two years due to higher gas prices, rising wages, and less gas supply. Despite expanding their capabilities, mills are finding it hard to reduce costs.

Moreover, government incentives for using local yarn have been significantly reduced. Cash incentives have dropped from 4.00% to 1.00%, while special incentives have fallen from 1.00% to 0.30%. These incentives take up to a year to be processed, and after a 10.00% tax deduction, additional costs are incurred. As a result, garment exporters are less inclined to use local yarn, according to millers. Local spinning mills are also unable to lower prices due to a sharp 179.00% rise in gas prices, the implementation of new wage structures, and increased bank loan costs and stringent conditions. Furthermore, more than 30 textile mills have shut down in the past year. This number is expected to increase significantly in the coming year since currently, half of the country's spinning mills are operating in below their capacity utilization.

According to the Association, Bangladesh has around 1,900 textile mills, including spinning, fabric, dyeing, printing, and finishing mills, with a total investment of USD 22 billion. Meanwhile, according to the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Bangladesh's garment exports increased by over 7% in 2024, with knitwear exports reaching nearly USD 20 billion.

B.2 RMG Industry

Bangladesh was regarded as one of the world's poorest nations after independence and no significant industrial plants were built in Bangladesh at the time. The first readymade garments clothes of Bangladesh started around 1970 and the textile sector of Bangladesh started in the sixties of the 19th century. This industry first exported in 1965 to the European market and produced from Karachi. After the birth of Bangladesh nine export industries were established. With the development of Bangladesh, the garment sector started developing and exporting to different countries. Currently, the trend of exports has increased related to the manufacture of various types of garments.

Global Trends in the Readymade Garments Market

The global RMG market is growing across key segments. The outer clothing segment holds the largest share, growing at a CAGR of 8.8%, driven by demand for seasonal apparel. Bangladesh, with its strong outerwear production, stands to benefit. The formal wear market is expanding at a CAGR of 9.1%, fueled by rising demand for business attire. Bangladesh's expertise in formal garments positions it to capture more of this growth. Woven fabrics are projected to grow at a CAGR of 9%, making up the



largest market share. Bangladesh excels in woven fabric production, offering significant opportunities. The adult segment saw the highest growth in 2023, while the kids' segment is expected to grow at a CAGR of 9.4%. This reflects strong global demand for both adult and children's apparel.

Bangladesh is the second-largest exporter of ready-made garments (RMG) globally. It holds a 7.4% market share in 2023, down from 7.9% in 2022. Despite the decline, Bangladesh's RMG exports were valued at \$38 billion. This makes it a key player in the global apparel market. The drop in market share reflects a 15.55% year on year (YoY) decrease. This is partly due to increased competition from countries like Vietnam and changing global demand.

China remains the dominant player with a 31.6% share and \$165 billion in exports. Vietnam follows with a 6% share. Bangladesh outpaces competitors like Turkey and India. Turkey's exports are valued at \$19 billion, while India's stand at \$15 billion.

Contribution to Bangladesh's GDP

The Ready-Made Garment (RMG) sector is the dominant contributor to Bangladesh's export earnings, with a combined total of 84.98% from Knitwear (48.49%) and Woven (36.49%) garments during the October-December period of FY24. This makes the RMG sector by far the largest player in Bangladesh's export economy, accounting for nearly 85% of the country's total export revenue. This significant share underscores the sector's central role in driving the nation's economic growth and foreign trade.

When compared to other industries, the difference in contribution is stark. The second-largest category, Others, which includes a range of products, contributes just 10.14% to total exports—much smaller than the combined RMG sector. Traditional sectors such as Leather and Leather Products (1.84%), Agricultural Products (1.83%), Chemical Products (0.59%), and Jute Goods (0.41%) together account for only a fraction of the export earnings. The total contribution of these sectors is dwarfed by the RMG sector's near 85% share.

Product-wise Export Earnings during Oct.-Dec. of FY24

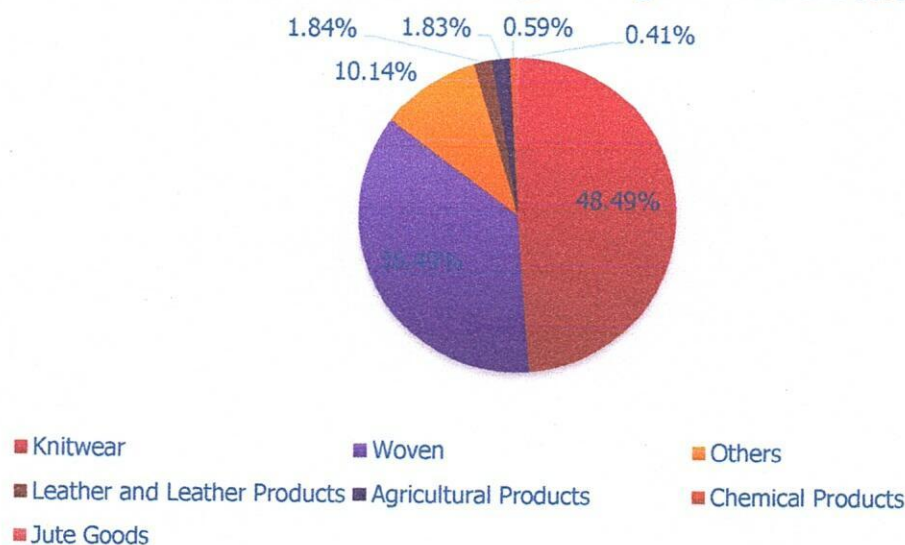


Figure 1: Export Promotion Bureau (EPB)

Export of RMG in Bangladesh

Month	Woven		Growth Rate (%)	Knit		Growth Rate (%)	Total		Growth Rate (%)
	2022/23	2023/24		2022/23	2023/24		(Woven+Knit)		
	2022/23	2023/24		2022/23	2023/24		2022/23	2023/24	
July	1512.76	1687.26	11.54	1854.15	2266.48	22.24	3366.91	3953.74	17.43
August	1684.23	1729.13	2.67	2061.53	2315.73	12.33	3745.76	4044.86	7.99
September	1427.89	1438.52	0.74	1733.78	2180.38	25.76	3161.67	3618.90	14.46
October	1602.34	1251.41	-21.90	2075.66	1914.19	-7.78	3678.00	3165.60	-13.93
November	1990.41	1739.91	-12.59	2388.53	2312.64	-3.18	4378.94	4052.55	-7.45



December	2119.38	2064.92	-2.57	2546.03	2490.77	-2.17	4665.41	4555.69	-2.35
January	2120.63	2272.57	7.16	2300.70	2699.27	17.32	4421.33	4971.84	12.45
February	1843.92	2080.42	12.83	2099.95	2412.80	14.90	3943.87	4493.22	13.93
March	1813.40	1926.96	6.26	2077.15	2419.27	16.47	3890.55	4346.23	11.71
April	1494.82	1424.72	-4.69	1830.25	1866.91	2.00	3325.07	3291.63	-1.01
May	1742.90	1525.36	-12.48	2310.38	1831.08	-20.75	4053.28	3356.44	-17.19
June									
Total:	19352.68	19141.18	-1.09	23278.11	24709.52	6.15	42630.79	43850.70	2.86

Figure 2: Bangladesh's RMG Exports to World (Monthly), BGMEA

In FY24, Bangladesh's total RMG exports grew by 2.86%, reaching \$43.85 billion, primarily driven by the knit sector, which saw a 6.15% increase. Strong months for knit exports included January (+17.32%) and February (+14.90%).

However, woven exports declined by 1.09%, with significant drops in October (-21.90%) and November (-12.59%), highlighting volatility in this segment. The weakest month was May, with sharp declines in both woven (-12.48%) and knit (-20.75%) exports.

Overall, the knit sector's growth offset the challenges faced by the woven sector. It contributes to the overall positive growth in total RMG exports.

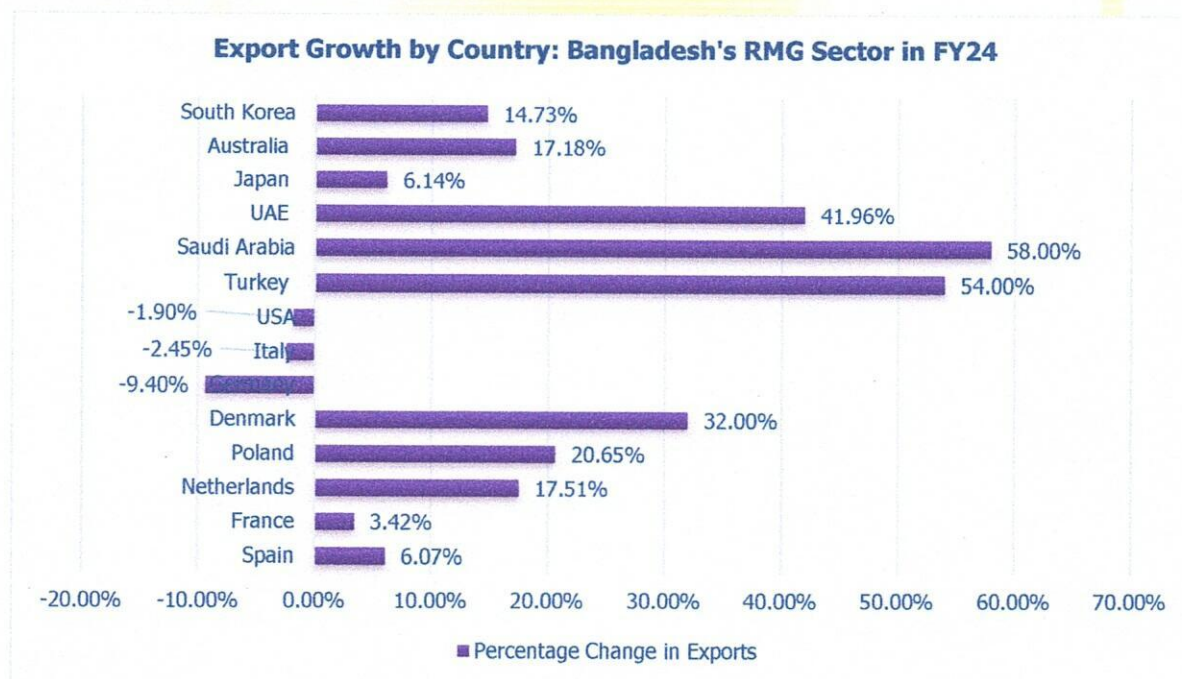
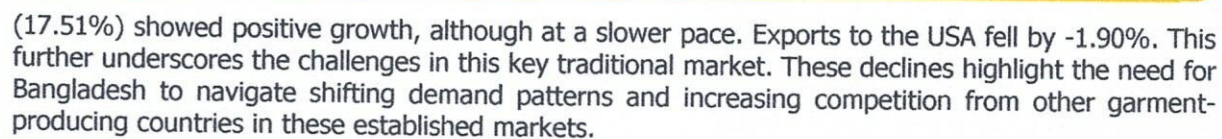


Figure 3: Export Promotion Bureau (EPB), 2024

Bangladesh's Ready-Made Garment (RMG) sector has shown strong performance in emerging markets, while facing challenges in its traditional markets. According to a report from The Business Standard on 28 May 2024, there has been significant growth in exports to several Middle Eastern and Asian countries. Exports to Saudi Arabia surged by 58%. Turkey and the UAE also experienced notable growth, increasing by 54% and 41.96%, respectively. These markets have become increasingly important for Bangladesh's RMG exports. This growth is driven by rising demand and expanding trade relations.

Similarly, countries in Asia such as Japan (6.14%), South Korea (14.73%), and Australia (17.18%) also saw solid growth. This growth is part of Bangladesh's strategy to diversify its export markets. The government has been providing incentives aimed at expanding into new regions.

However, the performance in traditional markets, particularly in the European Union and the USA, has been more mixed. According to Export Promotion Bureau (EPB) data cited in the same report, Germany experienced a significant decline of -9.40% in exports. This has been a major setback for Bangladesh, as Germany is one of the largest markets for the country's RMG sector. Similarly, Italy also saw a decline of -2.45%. On the other hand, countries such as Spain (6.07%), France (3.42%), and the Netherlands



To support Bangladesh's RMG sector, the government and Bangladesh Bank have implemented several key initiatives:

1. **Supporting Safety and Environmental Upgrades in Bangladesh's RMG Sector:** The SREUP led by Bangladesh Bank funds RMG factories to improve safety and environmental standards. It supports upgrades in fire safety, structural integrity, waste management, and energy efficiency, aiming to enhance competitiveness, worker conditions, and compliance with international standards.
2. **Pre-shipment Credit:** Bangladesh Bank created a BDT 50 billion refinance fund to assist RMG businesses during the pandemic. The interest rate was lowered from 6% to 5% at the receiver level and from 3% to 2% at the bank level. Loan tenures were also extended to 3 years.
3. **Export Incentives:** From July 2023 to June 2024, the government offered a 4% cash incentive for export-oriented garments. An additional 2% was given for exports to the EURO Zone. A 1% special incentive was also introduced for the RMG sector.
4. **Green Transformation Fund (GTF):** Bangladesh Bank set up a BDT 5,000 crore fund. This fund provides loans for capital machinery and accessories used in implementing environmentally friendly initiatives.
5. **Export Facilitation Fund (EFPF):** A BDT 10,000 crore fund was established. It provides easy-term loans to RMG businesses for raw material procurement, helping to enhance liquidity and resilience.
6. **Export Development Fund (EDF):** The ceiling for back-to-back LCs was raised to USD 10 million. This allows RMG manufacturers to access funding for input procurement related to export orders.

Business risks imply uncertainty of achieving expected gain or making loss for happening or not of certain unexpected events in the unforeseen future. Risks arise in different forms pertaining to nature, demography, geographic location, and mode of business. The very risks can create fluctuations in the business processes resulting in generation of altering profits with the given quantity of assets; thereby putting a question mark in business development and growth.

Spinning industry in Bangladesh has dependency on cotton which is required to be imported from abroad, mainly from Uzbekistan, USA and India. Though India is the major source for raw cotton but at the same time is an uncertain source due to local spinners' increasing demand. Hence, there is a significant risk of continuous flow of raw cotton supply which could bring a negative impact to the company's revenue stream. However, Bangladesh is trying to sign a state-level agreement with Uzbekistan to maintain smooth supply of cotton as the country produces four million bales of cotton a year which is equivalent to the total cotton demand of Bangladesh.

Shortage of power supply, labor unrest, unavailability or price increase of raw material, natural calamities like flood, cyclone, earthquake etc may disrupt the production of the company and can adversely impact the profitability of the company. The compensation as well as the benefit package will restrain the employees from leaving their assignment and go for any employee movement for higher benefit packages. As a long-term planning the company keeps provisions for alternative options or opportunities and applies those depending on the nature & type of risk. The company has its own power generation facilities to keep the production to maximum level.

As the raw material and machineries are imported from abroad, there is a significant risk of exchange rate fluctuation. The devaluation of taka against USD has increased importing cost which in turn will



affect the cost of sales for the company. Keeping the pricing of products within the buying power of the customers are needed but proving to be difficult due to the overall increase of importing cost.

C.4. Government Policy

Recent government policies such as decide to increase electricity price and gas price will impact on the industry. This will directly raise the cost of doing business for the manufacturers in the industry. The company has been systematically investing in green energy in order to offset this risk.

D. FINANCIAL RISK ANALYSIS

The rating process was based on qualitative aspects which are based on the company's policies in relation with the operating strategies, financial leverage, and ultimate financial goals of the companies. For this purpose of the overall financial risk assessment of the company, ECRL divided the financial portion into five different criteria which are Profitability Analysis, Liquidity Analysis, Cash flow Analysis, Asset Management, Capital Structure, and overall Financial Flexibility. Detailed analysis is presented below:

D.1. Profitability

Exhibit 8: Selected Indicators: Paramount Textile PLC

FYE 30 June	2025	2024	2023	2022
Period (Months)	9 M	12 M	12 M	12 M
Revenue (BDT in Millions)	8,514.62	10,072.44	8,609.80	6,615.53
Revenue Growth (%)	*12.71	16.99	30.15	-
Cost of Sales (BDT in Millions)	6,867.70	8,475.33	7,286.64	5,619.90
Cost of Sales Growth (%)	*8.04	16.31	29.66	-
Gross Profit (BDT in Millions)	1,646.92	1,597.11	1,323.16	995.63
Operating Income (BDT in millions)	1,390.80	1,305.57	1,033.08	715.39
Profit before Tax (BDT in millions)	920.76	1,135.36	1,133.27	825.33
Net Profit After Tax (BDT Millions)	812.99	1,009.33	1,005.17	760.01
Gross Profit Margin (%)	19.34	15.86	15.37	15.05
Operating Profit Margin (%)	16.33	12.96	12.00	10.81
Net Profit Margin (%)	9.55	10.02	11.67	11.49
ROA (%)	2.94	3.89	4.93	4.44
ROE (%)	11.46	15.83	17.91	15.77

FY2022-2024 data taken from audited financial statement

FY2025 nine-month data taken from audited financial statement

* Represents annualized growth

Paramount Textile PLC, a prominent entity in the textile sector, has demonstrated notable performance in its financial activities. According to the company's financial statements, Paramount Textile PLC reported revenue of BDT 10,072.44 million in FY2024 representing a robust 16.99% growth over the previous fiscal year's revenue of BDT 8,609.80 million in FY2023. This growth underscores the company's ability to increase its sales volume and establish more market presence due to the fact that the nine-month period ending March 31, 2025, the company has already achieved BDT 8,514.62 million in revenue, which suggests a promising trajectory for the full financial year, with a nine-month revenue growth of 12.71% over the corresponding period in 2024.

The reported revenue composition of FY2024 composed of yarn dyed, solid dyed & softflow dyed fabrics, knit yarn dyeing alongside with printing which generated BDT 10,072.44 million. Out of the total revenue yarn dyed, solid dyed & softflow dyed fabrics contributed to generate 93.50% of the total revenue. It is to be noted that from the nine-month period ending March 31, 2025, Paramount Textile PLC was able to generate BDT 8,514.62 million in revenue. With the fourth quarter left to complete the financial year of 2025, it shows promise to increase their revenue in the latest financial year FY2025. The Cost of Sales (COGS) for Paramount Textile PLC also saw an increase, reaching BDT 8,475.33 million in FY2024, an increase of 16.31% from BDT 7,286.64 million in FY2023. This movement is largely in line with the rising revenue, indicating increased production activity to meet demand. Despite the escalation in production costs, the company has managed to maintain healthy gross profit margins. In FY2024, the gross profit stood at BDT 1,597.11 million, with the gross profit margin expanding

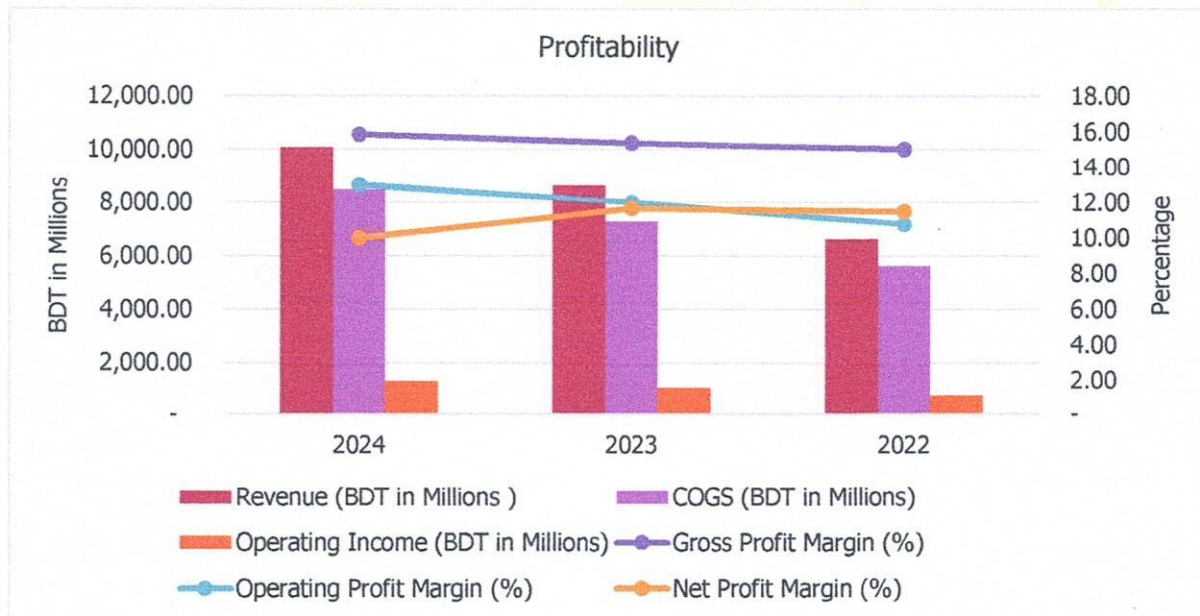


slightly to 15.86% from 15.37% in FY2023. Paramount Textile PLC. showcases it's efficiency in cost control throughout the first nine months of 2025 which resulted to generate gross profit of BDT 1,646.92 million, with the gross profit margin further improving to 19.34%. The company started softflow production in FY 2024 which increased the profitability of the company as the fixed overheads of the company remained same while there was a revenue growth.

Paramount Textile PLC's operating income exhibited a rise, reaching BDT 1,305.57 million in FY2024 from BDT 1,033.08 million in FY2023. This growth is reflected in an improved operating profit margin of 12.96% in FY2024, up from 12.00% in FY2023, indicating better control over operating expenses relative to sales. The nine-month period of 2025 shows even stronger performance in operating income, hitting BDT 1,390.80 million, with a notable operating profit margin of 16.33%, suggesting a sustained focus on operational efficiency. Similarly, the company's net profit after tax reached BDT 1,009.33 million in FY2024, slightly up from BDT 1,005.17 million in FY2023. However, the net profit margin experienced a slight contraction to 10.02% in FY2024 from 11.67% in FY2023. The reason behind the slight decrease in net profit margin is attributed to higher finance cost in FY2024 which has been reported as BDT 670.31 million compared to BDT 454.82 million in FY2023.

In terms of efficiency and asset utilization, Paramount Textile PLC's Return on Assets (ROA) was 3.89% in FY2024, a decrease from 4.93% in FY2023. The reason behind the decline in ROA is due to total asset base expansion reaching BDT 25,973.12 million in FY2024 compared to BDT 20,387.86 million in FY2023, thus surpassing the growth in net profit after tax. Similarly, the Return on Equity (ROE) declined to 15.83% in FY2024 from 17.91% in FY2023, indicating a lower return generated for shareholders' investments. Although retained earnings increased in FY2024, the return on equity (ROE) declined as the growth in net profit after tax lagged behind the increase in total equity.

The 9-month period of 2025 shows ROA at 2.94% and ROE at 11.46%, indicating a continuation of this trend. However, it is to be noted that the period is shorter and may not fully reflect annual performance.



D.2. Liquidity Analysis & Cash Flow

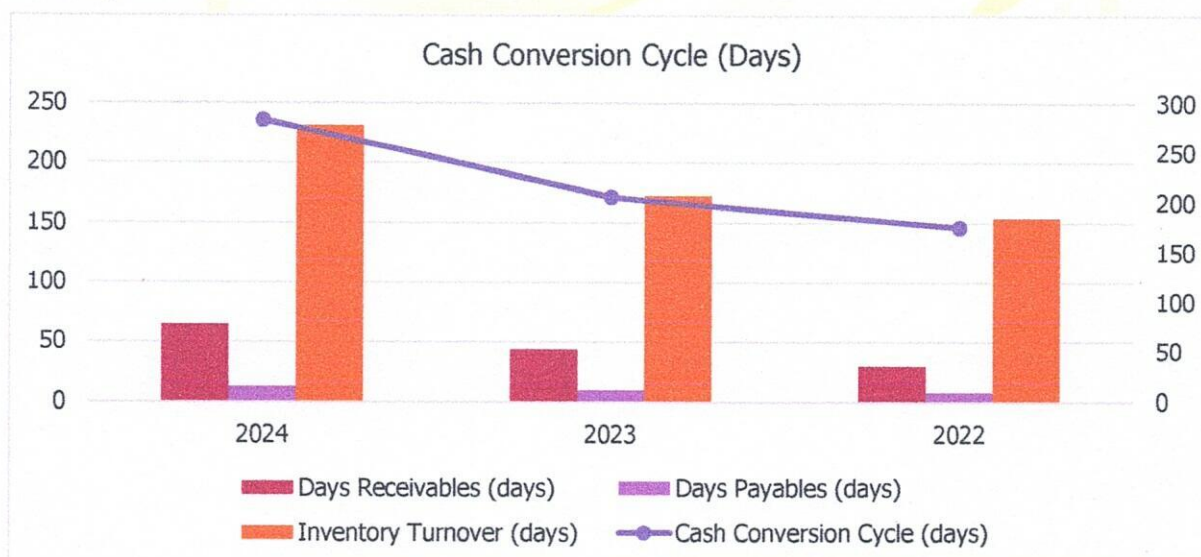
Exhibit 9: Selected Indicators: Paramount Textile PLC

FYE 30 June	2025	2024	2023	2022
Period (Months)	9 M	12 M	12 M	12 M
Current Ratio (x)	1.12	1.33	1.03	1.10
Quick Assets Ratio (x)	0.40	0.45	0.40	0.34
Inventory Turnover (days)	245	231	173	154
Cash Conversion Cycle (days)	291	283	206	176
CFO (BDT in Millions)	757.02	561.07	935.29	571.59
CFO Interest Coverage (x)	1.05	0.84	2.06	1.84

FY2022-2024 data taken from audited financial statement

FY2025 nine-month data taken from audited financial statement

According to the audited financial statements, the liquidity position of Paramount Textile PLC showed moderate improvement in FY2024, as reflected in the key liquidity ratios. The current ratio rose to 1.33 times in FY2024 from 1.03 times in FY2023, indicating an enhanced ability to cover short-term liabilities with current assets. Similarly, the quick ratio, which excludes inventories and thus provides a more conservative measure of liquidity, increased to 0.45 times in FY2024 from 0.40 times in the prior year. However, a closer look at the composition of current assets reveals that a substantial portion is tied up in inventory. In FY2024, inventories grew by 41.19%, making up 66.15% of total current assets which has been reported as BDT 6,287.22 million in FY2024 compared to BDT 4,452.89 million in FY2023. While cash and cash equivalents saw strong growth rising by 37.39% to BDT 366.68 million in FY2024 from BDT 266.88 million in FY2023, the high inventory concentration continues to weigh on liquidity. This trend of increasing cash balances continued into the nine-month period ending March 31, 2025, during which cash and cash equivalents rose by another 21.77% to BDT 446.49 million. Despite this, the current ratio declined slightly to 1.12 times during the same period, indicating a mild tightening in immediate liquidity. The quick ratio remained unchanged at 0.40 times, suggesting no material improvement in liquid asset availability relative to short-term obligations. The inventory turnover period increased from 173 days in FY2023 to 231 days in FY2024, indicating a slower conversion of inventory into sales. This is consistent and can be attributed to the significant rise in inventory levels. The cash conversion cycle (CCC) extended from 206 days in FY2023 to 283 days in FY2024. For the 9-month period of 2025, the cash conversion cycle (CCC) further increased to 291 days. This consistent lengthening of the cycle suggests that the company is taking longer to collect receivables and convert inventory into sales.



From a cash flow perspective, Cash Flow from Operations (CFO) for Paramount Textile PLC decreased to BDT 561.07 million in FY2024 from BDT 935.29 million in FY2023. However, a significant improvement was observed in the nine-month period of 2025, with CFO rising to BDT 757.02 million, signaling a positive rebound in operational cash generation. The CFO Interest Coverage ratio, which assesses the ability to service interest expenses from operating cash flow, declined notably to 0.84

times in FY2024 from 2.06 times in FY2023. This decline is primarily attributable to a reduction to generate cashflow from operations (CFO) coupled with rising interest expenses. Nevertheless, for the nine-month period of 2025, the CFO Interest Coverage improved to 1.05 times.

D.3. Leverage & Capital Structure

Exhibit 10: Selected Indicators: Paramount Textile PLC

FYE 30 June	2025	2024	2023	2022
Period (Months)	9 M	12 M	12 M	12 M
Debt-to-Equity (x)	2.80	3.02	2.58	2.49
Interest Coverage ratio (x)	1.93	1.95	2.27	2.30
Total Liabilities to Total Assets (x)	0.74	0.75	0.72	0.72
Long Term Debt Ratio (x)	1.73	1.95	1.37	1.26
Short Term Debt Ratio	1.07	1.07	1.20	1.24
Debt to OPBITDA (x)	14.27	14.76	14.01	16.79

FY2022-2024 data taken from audited financial statement

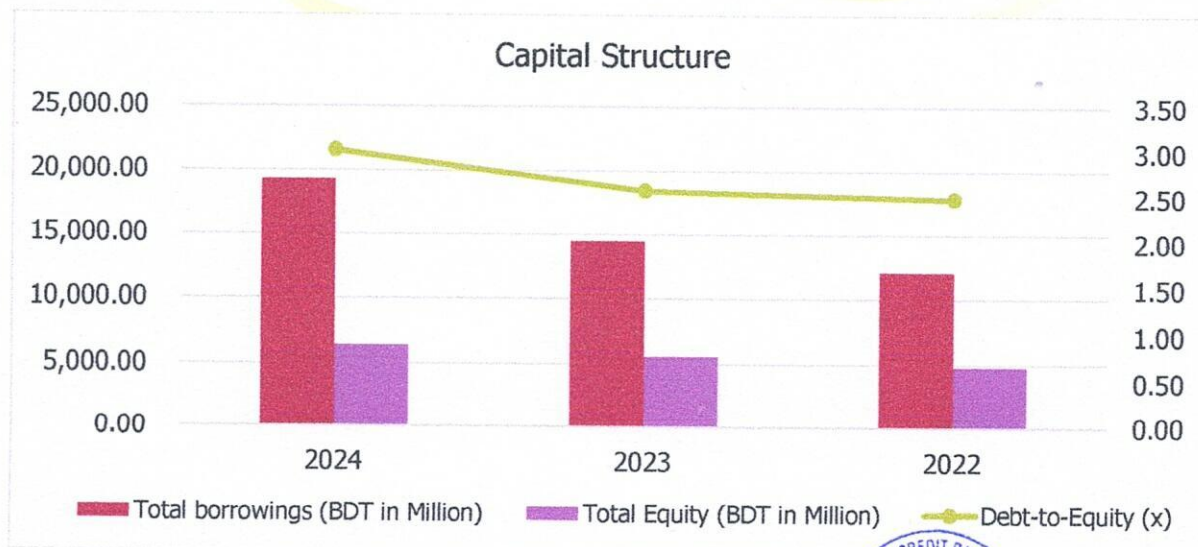
FY2025 nine-month data taken from audited financial statement

In FY2024, Paramount Textile PLC's capital structure shows a greater use of debt, as its Debt-to-Equity (D/E) ratio rose to 3.02 times from 2.58 times in FY2023. This increase mainly comes from a rise in total loan borrowings, which went up to BDT 19,266.22 million from BDT 14,472.91 million in the previous year. The loans include both short-term and long-term borrowings, indicating a higher dependence on debt to finance the company's operations. For the nine-month period ended March 31, 2025, the D/E ratio showed a slight improvement, moderating to 2.80 times. The Interest Coverage Ratio for Paramount Textile PLC shows concerning signs resulting in 1.95 times in FY2024, a slight decrease from 2.27 times in FY2023. Similarly, for the nine-month period of 2025, the ratio further declined to 1.93 times, indicating continued pressure on the company's ability to cover its interest costs.

The Total Liabilities to Total Assets ratio remained relatively stable at 0.75 times in FY2024, consistent with 0.72 times in FY2023. This ratio indicates that 75% of the company's assets were financed by liabilities in FY2024. For the nine-month period of 2025, the Total Liabilities to Total Assets ratio remained relatively stable at 0.74 times.

The Long-Term Debt Ratio increased to 1.95 times in FY2024 from 1.37 times in FY2023. This indicates a growing proportion of long-term debt relative to equity. In the 9-month period of 2025, this ratio moderated to 1.73 times. Conversely, the Short-Term Debt Ratio remained consistent at 1.07 times in both FY2024 and the 9-month period of 2025, showing a slight decrease from 1.20 times in FY2023. The shift towards higher long-term debt in FY2024 suggests strategic financing decisions.

Finally, the Debt to OPBITDA ratio stood at 14.76 times in FY2024, an increase from 14.01 times in FY2023. For the nine-month period of 2025, the ratio improved to 14.27 times, suggesting a slightly better ability to cover debt with operational earnings, although the overall debt burden remains substantial.





D.4. Bank Facilities & Credit History

Exhibit 11: Credit Facilities: Paramount Textile PLC

(BDT in Millions)

Financial Institutions	Mode	Existing Outstanding (BDT Million)	Loan Limit (BDT Million)
Al Arafah Islami Bank PLC (As on August 31, 2025)	Composite	1,535.70	1,950.00
	Sub Total:	1,535.70	1,950.00
Alliance Finance PLC (As on August 31, 2025)	Term Loan	156.65	200.00
	Sub Total:	156.65	200.00
Bengal Commercial Bank PLC. (As on August 25, 2025)	Corp Bai Muazzal Working Capital	409.45	380.00
	Sub Total:	409.45	380.00
BRAC Bank PLC (As on August 31, 2025)	Letter of Credit (L/C) 1	-	1,410.00
	Acceptance Liability-1	-	(1,410.00)
	UPAS Facility-1	851.15	(1,410.00)
	EDF Loan 1	9.79	(1,410.00)
	EFPF Loan	-	(1,410.00)
	Loan against Trust Receipt (LATR)	-	(250.00)
	Letter of Credit (L/C) 2	-	(150.00)
	Acceptance Liability-2	-	(150.00)
	UPAS Facility-2	13.58	(150.00)
	Short Term Loan (STL)	-	(150.00)
	Bill Discounting (BD) / Bill Purchase (BP)	94.95	590.00
	Revolving Loan	99.99	100.00
	Overdraft (OD)	38.79	40.00
	Letter of Credit (L/C)-3	-	(460.00)
	Acceptance Liability-3	-	(460.00)
	UPAS Facility-3	-	(460.00)
	EDF Loan -2	-	(460.00)
	Letter of Credit (L/C)-4	-	50.00
	Acceptance Liability-4	-	(50.00)
	UPAS Facility-4	-	(50.00)
	Sub Total	1,108.25	2,190.00
Bangladesh Infrastructure Finance Fund Limited (As on August 31, 2025)	Term Loan - 10011	644.35	650.00
	Term Loan - 50001	1,037.94	1,000.00
	Sub Total	1,682.29	1,650.00
Citizens Bank PLC (As on August 31, 2025)	Time Loan	350.00	350.00
	Sub-Total	350.00	350.00
Community Bank PLC (As on March 31, 2025)	Overdraft	464.30	450.00
	LC	-	200.00
	LTR - Inner of LC	-	(200.00)
	Time Loan (Inner of LTR)	199.65	(200.00)
	Bank Guarantee	206.01	450.00
	Sub Total	869.96	1,100.00



Eastern Bank PLC. (As on August 31, 2025)	Usance Letter Credit	274.59	540.00
	Acceptance	181.26	(540.00)
	Sight Letter of Credit	35.47	(540.00)
	Loan Against EDF	68.96	(540.00)
	Demand Loan	86.01	100.00
	Overdraft	20.49	20.00
	LDBP	164.82	300.00
	Sub-Total	831.60	960.00
IDLC Finance PLC (As on August 31, 2025)	Loan	315.00	700.00
	Sub Total	315.00	700.00
IPDC Finance PLC (As on August 31, 2025)	Long Term Loan	102.47	350.00
	Short Term Loan	50.11	50.00
	Short Term Loan	50.11	50.00
	Short Term Loan	51.36	50.00
	Sub Total	254.05	500.00
LankaBangla Finance PLC (As on August 31, 2025)	Term Loan	287.30	300.00
	Term Loan	97.33	100.00
	Sub Total	384.63	400.00
Mututal Trust Bank PLC (As on September 08, 2025)	LC	83.54	1,400.00
	Acceptance	847.92	
	LTR	-	
	EDF	494.65	
	Time Loan	99.97	100.00
	UPAS Machine	313.91	313.91
	Term Loan	1,088.99	1,088.99
	Sub Total	2,928.98	2,902.90
Pubali Bank PLC (As on August 31, 2025)	Overdraft	649.90	650.00
	Term Loan	1,602.60	2,364.90
	STL	489.90	500.00
	LATR	-	100.00
	PAD	776.10	-
	L/C (Rev)	2,047.80	5,000.00
	L/C (Spec)	751.10	1,888.10
	BBL/C (R)	31.80	400.00
	BG	1,763.50	1,905.60
	Ex. Bill Neg (Off Shore)	712.60	1,464.00
	EDF	627.40	-
	Sub Total	9,452.70	14,272.60
Shimanto Bank PLC (As on August 25, 2025)	Time Loan (1005641000345)	100.00	100.00
	Time Loan (1005641000354)	100.00	100.00
	Time Loan (1005641000363)	20.00	20.00
	Sub Total	220.00	220.00
Shimanto Bank PLC (As on June 30, 2025)	Preference Share	300.00	500.00
	Sub Total	300.00	500.00
Trust Bank PLC (As on August 25, 2025)	Bridge Loan	1,107.05	1,000.00
	Sub Total	1,107.05	1,000.00
Trust Bank PLC	Preference Share	300.00	500.00



(As on June 30, 2025)	Sub Total	300.00	500.00
United Commercial Bank PLC. (As on September 07, 2025)	Corporate Lease Financing	780.46	700.00
	Corporate Time Loan (General)	75.64	500.00
	Corporate Local Bank Guarantee	100.00	1,000.00
	Corporate Local Bank Guarantee	50.00	1,000.00
	Sub-Total	1,006.10	3,200.00
United Finance PLC (As on August 31, 2025)	Investment in Preference Share	62.11	100.00
	Sub-Total	62.11	100.00
Uttara Bank PLC (As on August 25, 2025)	Any Other Term Loan	295.22	500.00
	Sub-Total	295.22	500.00
	Grand Total	23,569.74	33,575.50

The Paramount Textile PLC maintains a large credit limit from various financial institutions the repayment history of the Paramount Textile PLC is fairly regular with some minor overdues.

D.5. Security & Collateral

The credit assistance is also subject to the conditions that are contained in the sanction letter, which the company is been executing in favor of the banks. As per the terms and conditions of the respective banks following securities and collateral have been offered by Paramount Textile PLC:

Exhibit 12: List of Collateral & Securities: Paramount Textile PLC

Bank Name	Collateral & Securities
Al-Arafah Islami Bank PLC.	1208.00 decimal lands owned by Paramount Spinning Ltd. at Valuka, Mymensingh having market value of BDT 181.30 million & forced sale value of BDT 144.16 million. 1,57,00,000.00 shares of Paramount Textile PLC. With a market value of BDT 1,208.90 million and forced sales value of BDT 967.12 million - Lien of MTDR with market value of BDT 3.00 million and forced sales value of BDT 3.00 million.
Alliance Finance PLC	- Pledge of 2,597,405 nos. of shares of PTPLC in favor of Alliance Finance PLC (AFPLC) amounting to BDT 146.49 million and a forced sales value of BDT 12.99 million. - Simple Charge over fixed assets of PTPLC. - Corporate Guarantee from Paramount Holdings Limited. - One Security Cheque amounting to BDT 200.00 million 12 post-dated cheques covering the EMI amount in favor of AFPLC. - Personal guarantee of following sponsor directors- - Ms. Anita Haque (Chairman) - Mr. Shakhawat Hossain (Managing Director) - Mr. Alok Kumar Das (Director) - Ms. Anita Das (Director)
Bengal Commercial Bank PLC	Lien on 60 lac Shares of Paramount Textile PLC with a market value of BDT 303.00 million.
Bangladesh Infrastructure Finance Fund	Unconditional payment guarantee in the form of Bank Guarantee covering full loan amount.



Limited (BIFFL)	• Bank Guarantee amounting BDT 65.00 Million of Pubali Bank PLC • Bank Guarantee amounting BDT 10.00 Million of United Commercial Bank PLC • Bank Guarantee amounting BDT 85.00 Million of Pubali Bank PLC • Bank Guarantee amounting BDT 5.00 Million of United Commercial Bank PLC
BRAC Bank PLC	Security 1. Registered Hypothecation (1st charge on Pari Passu basis) on all present and future Floating Assets Including stocks, book debts and receivables of the Company with RJSC, along with Notarized IGPA to sell the Hypothecated Assets, favouring BRAC Bank PLC SUPPORT: a) Personal Guarantee executed by the Directors of the Company. b) Corporate Guarantee to be executed for BDT 2,190.00 Million by the following companies: - o M/s. Paramount Spinning Limited - o M/s. Paramount Holdings Limited c) Basic Charge Documents executed, in support of Board Resolution of the Borrower. d) Insurance coverage on Fire & RSD risks covering 110% on the funded facilities (except Bill Purchase facility), securing Stock/Inventory, of the Borrower company, from any insurance company acceptable to BBL, keeping BBL as beneficiary. e) MICR Cheque (from any account maintained with BRAC Bank PLC) issued in favor of "BRAC Bank PLC" for BDT 2,190.00 Million alongwith irrevocable letter of authority to complete the cheque. f) A Mortgage Tagging Agreement in connection to the below scheduled existing mortgaged property, executed jointly by Mrs. Anita Haque, Mr. Alok Kumar Das, Mr. Sadab Hossain, and Mr. Rangon Das, being the Mortgagor(s), that the below scheduled property shall continue till expiry of working capital facility for BDT 2,140.00 million, extended to Paramount Textile PLC. Market Value: BDT 350.00 million Force Sale Value: BDT 280.00 million Schedule of the existing mortgaged property: 8.25 Decimal Land and building / construction thereon, located at Mouza: former Lalasarai present Banani R/A, P.S: former Gulshan present Banani, SRO: Gulshan, Dhaka, District: Dhaka, owned by Mrs. Anita Haque, Mr. Alok Kumar Das, Mr. Sadab Hossain, and Mr. Rangon Das.
Community Bank Bangladesh PLC	1. Charge with RJSC on all present and future floating assets of the company. 2. Lien of total 1,00,00,000 nos. shares of Paramount Textile PLC 3. Lien of CBBL FDR valuing BDT 50.00 Million 4. Personal Guarantee of all the Shareholding Directors of the company



	5. MICR Cheque (s) covering the entire facility amount. 6. Standard Charge Documents as applicable.
Citizens Bank PLC	7. Pledge of BDT 4.55 million 'A' category shares of Paramount Textiles PLC. 8. Personal Guarantee of Mr. Shakhawat Hossain, Mr. Alock Kumar Das, Mrs. Anita Haque Shangita & Mrs. Anita Das 9. Charge (Ranking charge) with RJSC & F on floating assets of Paramount Textile PLC 10. Cheque(s) covering the sanction limit with Memorandum of Deposit of Cheque(s). 11. Insurance policy to obtained against stock on declaration basis covering industrial all risk at the cost of the customer where beneficiary will be Citizens Bank PLC along with other banks. 1. Execution of usual charge documents.
Eastern Bank PLC	1. 1st Registered hypothecation (1st charge on PPSSA basis with HSBC and Pubali Bank PLC) over Floating Assets (Stocks and Book debts) of the company.
IDLC Finance PLC	1. Personal Guarantee 2. Corporate Guarantee of Paramount Spinning Mills Ltd 3. Lien on 8,778,684 Shares of Paramount Spinning Mills Ltd 4. Hypothecation on Machineries
IPDC Finance PLC	For Long Term Loan: 1. Pledge of shares of Paramount Textile Limited, owned by Paramount Holdings Limited (PHL) amounting BDT 350.00 (Three Hundred Fifty) Million only. 2. Floating Charge by way of Hypothecation on all the movable assets of PTL duly registered with RJSC. 3. Personal Guarantees of all the Sponsor Directors of Paramount Textile PLC. 4. Corporate Guarantee of Paramount Holdings Limited. 5. Demand Promissory Note along with Letter of Continuation. For Short Term Loan: 1. Existing Floating Charge by way of Hypothecation on all the fixed & floating assets of PTPLC duly registered with RJSC. 2. FDR Amount of BDT 5,000,000.00 (BDT Five Million) only is liened with IPDC Finance PLC. 3. Tagging of existing lien FDR(s) under account 1001211000007291, 1001211000007290, 1001251000003639, 10012510000035640, 10012510000035916 & 1001251000047914 with IPDC till settlement of the loan facility. 4. Legally enforceable Corporate Guarantee of Paramount Holdings Ltd. 5. Personal Guarantee of all the sponsor directors of PTPLC. 6. Demand Promissory Note along with Letter of Continuation.



Lanka Bangla Finance PLC	1. Demand promissory Note with all usual charge documents. 2. Subsequent charge/hypothecation on all present & future, fixed and floating assets of Paramount Textile PLC to be registered with RJSC along with Irrevocable General Power of Attorney (IGPA). 3. Lien of TDR of BDT 50.00 million as Term Deposit Receipt (TOR) in favour of LBFPLC which is specifically marked lien against total facility until full and final settlement. 4. Lien and Pledge of 10,000,000 shares of Paramount Textile PLC. listed in Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE). 5. At least 100% insurance coverage of the finance amount in favour of LBFPLC. 6. Corporate Guarantee by Paramount Holdings Limited. 7. Personal Guarantee by directors. 8. Post Dated Cheques.
Mutual Trust Bank PLC	1. Registered joint mortgage with Pubali Bank PLC on pari-passu basis over 1,660.83 decimal project land and other adjacent area along with a market value of 1,149.45 million and forced sales value of BDT 919.56 million with factory building and other construction present and future thereon covering term loan exposure for both the lenders. 2. 1st ranking charge on pari-passu basis over present and future fixed and floating assets of the company covering entire exposure of the client. 3. PG/CG (supported by MOA) from third party owner(s) of the mortgaged property viz. Paramount Spinning Mills Ltd (owner of 791.75 decimal), Shakhawat Hossain & Alock Das (owner of 455 decimal) and Mr. Shadhab Hossain & Mr. Rangan Das (owner of 78.875 decimal). 4. Undated cheque covering entire exposure
Pubali Bank PLC	1. The first parcel of land comprises of 966.75 decimal of land, located in Mouza- Kewa, Police Station - Sreepur, District - Gazipur owned by Paramount Textile Limited, Paramount Spinning Limited, Mr. Shakhawat Hossain, and Alock Das with a value of BDT 1,129.40 million. 2. The second parcel of land measures 158.25 decimal and is also situated in Mouza- Kewa, Police Station - Sreepur, District - Gazipur owned by Paramount Spinning Limited (PSL) with a value of BDT 84.90 million. 3. A third parcel of land, which is yet to be mortgaged, consists 336.38 decimal of land located in Mouza- Kewa, Police Station - Sreepur, District - Gazipur, JL No 07, and is owned by Paramount Textile Limited, Paramount Spinning Limited, Shakhawat Hossain, Alock Kumar Das, Sadab Hossain, and Rangan Das with a value of BDT 278.80 Million 4. The fourth parcel of land amounting to BDT 1,391.83 million decimal and is located in Mouza- Kewa & Faugayin, SRO- Sreepur, District-Gazipur owned by Paramount Textile Limited, Paramount Holdings Limited, Paramount Agro Limited, Mr. Shakhawat Hossain, Alock Kumar Das, Sadab Hossain, and Rangan Das with a value of BDT 387.10 million.



Shimanto Bank PLC	Security & support for availed loan facilities: 1. Ranking Charge by way of hypothecation with RJSC & F on floating assets of Paramount Textile PLC. (Present & Future) for BDT 220.00 Million. 2. NIGPA favoring the bank authorizing to sale the hypothecated assets without reference to the court in case of default. 3. Pledge of 39,50,000.00 nos. of shares of Paramount Textile PLC. in favor of Shimanto Bank PLC. which is owned by Paramount Spinning Limited with supporting Board Resolution of Paramount Textile PLC. and Paramount Spinning Limited. 4. Insurance coverage covering the risks of Fire & RSD on Stock & Inventories (Raw Material, Work in process, and Finished goods) covering at least 110% of the Time Loan limit. 5. Corporate Guarantee of Paramount Holdings Limited. 6. Personal Guarantee of all shareholding directors of Paramount Textile PLC. supported by personal net worth statement. 7. 1 (one) cheque covering Time Loan limit duly signed by you with irrevocable letter of authority. 8. Standard Charge documents. Security & support for preference share: 1. Subscription Agreement 2. Put option clause in the subscription agreement, under which the investors will be able to sell the shares to the sponsor shareholders at redemption value in case of any delay in redemption 3. Personal guarantee of shareholding/sponsor directors of PTL. 4. Corporate guarantee of Paramount Holdings Limited and Paramount Spinning Limited 5. Post-dated cheque covering the dividend payments and principal repayments 6. Usual Charge Documents
Trust Bank PLC	Security & support for availed loan facilities: 1. Pledge of 5,000,000 nos. of shares of Paramount Textile PLC valuing BDT 324.30 million (Based on the average price of last Six Months BDT 64.86). 2. Corporate Guarantee of Paramount Holdings Limited & Intraco Solar Power Limited 3. Subsequent charge on fixed & floating asset of the company. 4. Personal Guarantee of the directors of the company. 5. Corporate Guarantee of the Paramount Textile PLC. 6. Usual charge documents. Security & support for preference share: 1. Personal guarantee of shareholding/sponsor directors of PTL.



	2. Corporate guarantee of Paramount Holdings Limited and Paramount Spinning Limited. 3. Put option clause in the subscription agreement, under which the investors will be able to sell the shares to the sponsor shareholders at redemption value in case of any delay in redemption. 4. Post-dated cheque covering the dividend payments and principal repayments. 5. Usual Charge Documents.
United Commercial Bank PLC	1. RM (to be executed) on 9958.16 sft. Floor Area (3 floors) including 6 nos. of car parking & common space at Plot No. 40/8, Gulshan Avenue Road in the name of Paramount Textile Limited having present MV: BDT 452.40 million Crore & FSV: BDT 361.90 Million. 2. Pledge of 10.00 million Nos of directors' and sponsors' shares of Paramount Textile Limited in favor of United Commercial Bank PLC having MV: BDT 436.00 Million as on 08.04.2025.
United Finance PLC	1. Share Retention & Put Option Agreement: Put Option & Share Retention Agreement between the Sponsor shareholders and preference share subscribers 2. Personal Guarantee of the following Directors of the Company: a) Shakhawat Hossain (Managing Director) b) Anita Haque (Chairman) c) Alock Kumar Das (Director) d) Anita Das (Director) 3. Corporate Guarantee of a) Paramount Holdings Limited b) Paramount Spinning Limited 4. Post-dated cheque covering the dividend payments and principal repayments
Uttara Bank PLC	1. Total 1,70,25,000.00 no. of Shares having Market value of BDT 851.25 million

E. MANAGEMENT AND OTHER QUALITATIVE FACTORS

The leadership of Paramount Textile PLC. is entrusted to a highly experienced and diverse board of directors, combining entrepreneurial vision, operational expertise, and independent oversight. The board plays a pivotal role in guiding strategic direction, maintaining corporate governance, and ensuring sustainable business practices. Ms. Anita Haque who is currently serving as Chairman and Mr. Shakhawat Hossain who is currently serving as the Managing Director of the Paramount Textile PLC. form a powerful leadership duo, bringing a blend of entrepreneurial vision and extensive business experience.

Mr. Shakhawat Hossain, is a highly accomplished and versatile entrepreneur with over 34 years of experience. He has been instrumental in establishing a broad spectrum of successful enterprises, including Paramount Insurance Company Ltd., Paramount Textile PLC., Paramount Holding Ltd., and others. Mr. Hossain continuously enhances his expertise through international workshops and textile fairs, and further serves as the honorary consul of Portugal in Bangladesh, maintaining active



memberships in numerous prestigious business chambers and social clubs. Ms. Anita Haque, with an MA in English from Dhaka University, is a passionate and visionary entrepreneur who has played a key role in establishing Paramount Textile PLC from its inception. Her leadership extends to diverse ventures, holding key positions such as Vice-Chairman of Paramount Insurance Co. Ltd., Managing Director of Paramount Agro Ltd., and Director of Paramount Spinning Ltd., Foodex International Ltd., Paramount Green Garments Ltd., and Paramount Energy Ltd. Ms. Haque is also dedicated to social activities.

Together, their combined strategic leadership, deep industry knowledge, and vast network of successful businesses underpin the strength and continued growth of Paramount Textile PLC and its associated entities.

Exhibit 13: Board of Directors

Name	Designation
Ms. Anita Haque	Chairman
Mr. Shakhawat Hossain	Managing Director
Mr. Alock Kumar Das	Director
Ms. Anita Das	Director
Mr. A H M Abdur Rahman	Director
Mr. A. H. M. Habibur Rahman	Director
Ms. Aparna Ghosh	Director
Ms. Samsun Nahar Nadia	Director
Mr. Sib Sankar Saha	Independent Director
Mr. Md. Jahangir Yahya	Independent Director

Paramount Textile Limited maintains a diversified shareholding structure, with the majority stake held by sponsors and directors.

Exhibit 14: Shareholding Structure

Types of Shareholders	No. of share (As of March 31, 2025)	%
Director and Sponsors	99,254,425	60.95
Institutions	16,673,546	23.68
General Public	39,863,181	11.03
Foreign Investor	7,042,380	4.34
Total	162,833,532	100

F. CORPORATE INFORMATION

Corporate Office

Address: House-22, Road-113/A, Gulshan Circle-2, Dhaka-1212

Factory

Address: Gillarchala, Sreepur, Gazipur

Auditor

G. KIBRIA & CO.
Chartered Accountants

Head Office Address: Sadharan Bima Sadan, 24-25 Dilkusha Commercial Area, Dhaka – 1000

RATING SYMBOL

LONG-TERM RATINGS

ECRL's Long-Term Ratings are assigned to debt with maturities of more than one year. These debt ratings specifically assess the likelihood of timely repayment of principal and payment of interest over the term to maturity of such debts.

RATING DEFINITION (Credit Rating Companies Rules, 2022. 10.(15))

AAA	Strongest credit quality
AA+	Below strongest credit quality
AA	Very strong credit quality
AA-	Below very strong credit quality
A+	Very good credit quality
A	Above average credit quality
A-	Moderately good credit quality
BBB+	Moderate credit quality
BBB	Average credit quality
BBB-	Below average credit quality
BB+	Moderately below average credit quality
BB	Slightly below average credit quality
BB-	Less than average credit quality
B+	Significantly below average credit quality
B	Weak credit quality
B-	Very weak credit quality
C	Poor credit quality
D	Default (Failed to meet their rated financial commitment on time or when due)

SHORT-TERM RATINGS

ECRL's Short-Term (ST) Ratings are assigned to specific debt instruments with original maturities of one year or less, and are intended to assess the likelihood of timely repayment of principal and payment of interest.

RATING DEFINITION (Credit Rating Companies Rules, 2022. 10.(15))

ST - 1	Strongest ability to meet short term financial commitments
ST - 2	Above average ability to meet short term financial commitments
ST - 3	Average ability to meet short term financial commitments
ST - 4	Below average ability to meet short term financial commitments
ST - 5	Well below average ability
ST - 6	Default (Failed to meet their short term financial commitments)

Notes: Short-Term (ST) Ratings will also carry a suffix (bg) for bank-guaranteed issues, (cg) for corporate-guaranteed issues, (fg) for FGI-guaranteed issues, and (s) for all other supports when such guarantees or supports give favorable effect to the assigned rating.

Rating Outlook

ECRL's Rating Outlook assesses the potential direction of the Corporate Debt Rating over the intermediate term (typically over a one to two-year period). The Rating Outlook may either be :

POSITIVE	Which indicates that a rating may be raised;
NEGATIVE	Which indicates that a rating may be lowered;
STABLE	Which indicates that a rating is likely to remain unchanged; or
DEVELOPING	Which indicates that a rating may be raised, lowered or remain unchanged.

In line with Bangladesh Securities and Exchange Commission (Credit Rating Companies) Rules, 2022. 10(8)A(g), the following disclosure is provided

Disclaimer

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