SURVEILLANCE CREDIT RATING REPORT

ODYSSEY DRESSES LIMITED

Ref. no.: FR/2022/024580

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB2	ST-3	Stable	29 June 2022	28 June 2023

Tk. in Million

Bank Name	Investment Mode	Limit Amount	Outstanding as on 31.05.2022	Bank Loan Rating
One Bank Limited	Term Loan	18.50	11.98	blr BBB2
	Lease	0.40	0.29	
	OD-1	5.00	5.11	blr ST-3
	OD-2	10.00	--	
	Time Loan	(40.00)	34.46	
	PC	60.00	16.07	
	BG	1.00	1.00	
	BG	(2.00)	--	
	Acceptance	(20.00)	--	
	Letter of Credit	(20.00)	9.76	
	PAD/EDF	(250.00)	301.39	
	Acceptance	(400.00)	24.31	
	BBLC against Master Export LC	400.00	25.58	
	FDBP	40.00	3.74	

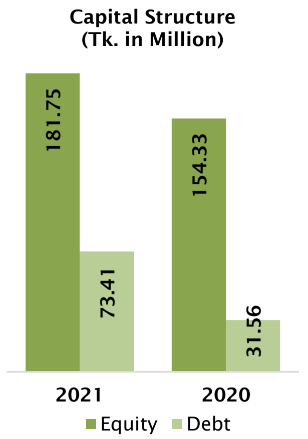
**blr-Bank Loan Rating*

Financial Based *Audited financial statements up to 2021.*
Methodology: *Corporate rating methodology published on the WCRCL website at www.wasocreditrating.com*

Key Snapshot:

Tk. in million

Particulars	2021	2020
Revenue	758.63	477.59
EBIT	35.48	14.51
Net Profit	27.42	9.42
Total Assets	255.16	185.89
Total Equity	181.75	154.33
Debt	73.41	31.56
Operating Profit Margin (%)	4.49	3.04
Net Profit Margin (%)	3.61	1.97
Current Ratio (X)	3.96	3.66
Debt to Equity Ratio (X)	4.39	0.20
Interest Coverage Ratio (X)	9.80	3.93



RATING RATIONALE

WCRCL has reaffirmed 'BBB2' rating for the long term (pronounced as Triple B Two) and upgraded the rating to 'ST-3' (pronounced as Short Term Three) for the short term to Odyssey Dresses Limited (hereinafter referred to as 'ODDL' 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 reaffirmed the bank loan rating to 'blr ST-3' (pronounced as bank loan rating Short Term Three). The above ratings have been assigned based on experienced promoter and management, financial flexibility arising from 'Onus Group', own factory premise, satisfactory health and safety measures, significant increase in export revenue, good liquidity position, good coverage position, good security arrangement and regular loan repayment history. However, the above factors are constrained to some extent by overall thin profitability ratios, decreasing trend in profitability, no compliance audit by any independent body and insufficient disclosure in the financial statements.

The long term rating implies that the company is subject to medium credit risk and considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the company has an acceptable ability to repay short term debt obligations from internal sources. However, it is expected to rely on external sources of committed financing due to downturn in economic or industry circumstances.

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

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