

1st SURVEILLANCE CREDIT RATING REPORT DAIMEXCO LIMITED

Ref. no.: FR/2023/31939



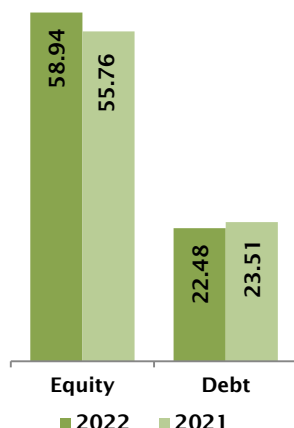
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Key Snapshot:

Tk. in million		
Particulars	2022	2021
Revenue	413.34	376.67
EBIT	34.50	29.82
Net Profit	32.50	28.63
Total Assets	81.42	79.27
Total Equity	58.94	55.76
Debt	22.48	23.51
Net Profit Margin (%)	7.9	7.6
CCC (Days)	34	39
ICR (X)	17.25	24.95

Capital Structure
(BDT. in million)



Analysts:

Shudhan Mallick
shudhan@wasocreditrating.com

Maharan Nasrin
maharan@wasocreditrating.com

SME Rating	WCRSME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	04 July 2023	03 July 2024

Tk. in million				
Bank	Facilities	Limit Amount	Outstanding Amount	Outstanding Date
Uttara Bank Limited	LC	80.00	-	03.07.2023
	LTR	22.50	-	

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 **WCRSME3** (Pronounced WASO Credit Rating Small And Medium Enterprise Three) rating under the SME Rating to **Daimexco Limited** (hereinafter referred to as 'DL' 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 enterprise which includes:

- Experienced directors and management team
- Maintained sound relation with supplier, buyer and lender
- Good liquidity position with short cash conversion cycle
- Good interest coverage position
- Low levered capital structure

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

- Small scales of business operation
- Extensive competition to the market
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise is adjudged to above average credit quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that DL 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.