

SURVEILLANCE CREDIT RATING REPORT ZIAN DIGITAL LIMITED



Ref. no.: FR/2022/024722

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| SME Rating | WCRSE/WCRME | Outlook | Date of Declaration | Date of Expiration |
|------------|-------------|---------|---------------------|--------------------|
| | WCRSE 3 | Stable | 29 June 2022 | 28 June 2023 |

WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

| BDT. in million | | | | |
|---------------------|--------------------|-------------------|--------------------|---------------------|
| Bank Name | Mode of Investment | Sanctioned Amount | Outstanding Amount | Date of Outstanding |
| Janata Bank Limited | Project Loan | 106.40 | 137.3 | June 2022 |
| | CC(H) | 10.00 | 10.2 | |

Key Snapshot:

| BDT. in million | |
|-----------------------|--------|
| Particulars | FY21 |
| Revenue | 9.05 |
| EBIT | 0.33 |
| Net Profit | 0.11 |
| Total Assets | 135.57 |
| Total Equity | 3.11 |
| Debt | 132.46 |
| Net Profit Margin (%) | 1.2% |
| Current Ratio | 0.44 |

Financial Based on audited financial statements up to FY21.

Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Company Three) rating under the SME Rating to Zian Digital Limited (hereinafter referred as "ZDL" 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
- Owned business premises and storage facility
- Good mortgage security coverage against loan
- Good business network

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

- Tight liquidity position with long cash conversion cycle
- Highly levered capital structure
- Low disclosure of financial statements

The SME rating implies that the Company is adjudged to above average level of credit worthiness in relation to other small SME's

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

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**Capital Structure
(BDT. in million)**

