

3rd SURVEILLANCE CREDIT RATING REPORT
ZILLU AUTO CORPORATION



Ref. no.: CRAR-9097/2023

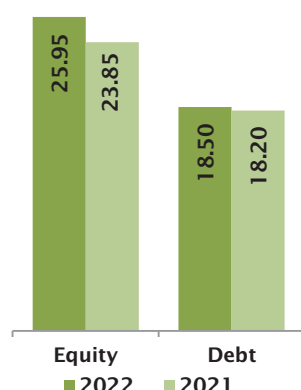
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Key Snapshot:

Particulars	2022	2021
Revenue	165.00	150.00
EBIT	34.20	32.17
Net Profit	32.20	30.38
Total Assets	44.45	42.05
Total Equity	25.95	23.85
Debt	18.50	18.20
Net Profit Margin (%)	19.5	20.3
CCC (Days)	100	109
ICR (X)	17.91	18.86

Capital Structure
(BDT. in million)



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	23 November 2023	22 December 2024

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Zillu Auto Corporation (hereinafter referred as "ZAC" or "The Enterprise") 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:

- Skilled management
- Long business experiences of the proprietor in the business
- Satisfactory banking relationship
- Good interest coverage position
- Good security arrangement against loan
- Low levered capital structure
- Good net worth of the proprietor

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

- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system

The SME rating implies that the enterprise has above average credit quality.

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