ORAS Express, LLC

CCC *1 year PD* **9.02% to 14.87%**

Headquarters	Mason, OH	U.S.
Type	Private (Non-PE)	
Employees	<10	
Year Founded	2020	
Website	N/A	
Business	Interstate freight carrier specializing in logistics.	
Revenues	$1.9M	

Company Overview

- **Company Overview:** ORAS Express, LLC is a freight transportation company based in Mason, Ohio, providing general freight and paper product logistics across state lines.
- **Product:** They operate a fleet of 12 tractors, and trailers, with about 12 drivers.
- **Customers:** Specializes in on-time, efficient deliveries, achieving a 9/10 rating for timeliness in customer reviews (www.carriersource.io).
- **Ownership:** Privately owned, with operations led by Olimjon Rakhmonov.
- **Debt Structure:** N/A
- **Other (pros/cons):** As part of this assessment we only received an incomplete income statement extracted from the FY-23 tax filings, and a very high level - also unaudited - YTD income statement through 10/2024. Solely during T10-24 revenue grew 30.5%, but the drop in EBITDA margin to 3.4% due to a 46% increase in OPEX. On an annualized basis revenue is slated to grow by 57% y-o-y with OPEX increasing by 75% (FY-24(A)). Part of it might be related to their 40% vehicle out-of-service rate, which far exceeds the 22.26% nationale average, threatening reliability, customer retention, and after all - profitability. The comparatively small entity size increases the empirical default risk. They were operating at a loss in FY-23, yet are slated to turn profitable (again) in FY-24(A). Given the loss in 2024, they might have a bit of a tougher time to get financing.

Financial Snapshot

	Dec-21	Dec-23	Oct-24(A)	Chg
$ '000s	T12	T12	T12	%
Total Revenue	-	1,909	2,990	56.6%
Gross Profit	-	1,741	2,968	70.5%
Adjusted EBITDA	-	106	102	-3.3%
Gross Profit Margin	-	91.2%	99.3%	8.1 ppt
EBITDA Margin	-	5.5%	3.4%	-2.1 ppt
Net Income	-	(434)	102	

	Weight	Rating Range		
Financial Ratio Benchmarking	50%	7.0	to	8.5

Financial Ratio Benchmarking

# of Benchmarks:	*9*	Industry Median	Company Metric	Percentile Rank
	Revenue	*$29M*	*$2M*	
Liquidity	Current Ratio	1.24		
	Quick Ratio	1.03		
Leverage	Net Debt / EBITDA	1.77	-	*75%*
	Debt to Assets	46.2%		
Profitability	EBITDA Margin	7.2%	5.5%	*25%*
	ROCE %	13.4%		

# of Industry Benchmarks 9
Company Financials Date Dec-23

Industry Benchmarks - Primary: Cargo Ground Transportation

Business Risk

		Weight	Rating Range		
Business Risk		50%	4.0	to	6.0
Industry Group Risk Profile	*Transportation Cyclical*	20%	3.5	to	5.0

Industry Risk Assessment	KPI Rating	Contribution
Cyclicality	High risk	
Competitive Risk	Moderately high risk	
Global Industry	High risk	
Market Segment Outlook	Stable	

Industry Group Description

Entities that derive a majority of their revenue from operating airlines (including heavy air freight), shipping companies, trucking companies, and certain miscellaneous other transportation companies, such as bus companies.

		Weight	Rating Range		
Competitive Position Profile	*Logistics*	50%	4.0	to	5.5

Competitive Position KPIs	KPI Rating	Contribution	Rating Guideline
Cylcle-Tested	>= 2020		No through-the-cycle operating history.
Number of Tractors (or vehicles)	Weak		<50 tractors, limited operational scale.
Customer Concentration	Satisfactory		Moderate customer concentration. Top 5 customers 40-60% of total sales.
Average Customer Contract Term	Satisfactory		6-12 months, providing some level of revenue predictability.
On-time Delivery	Above Average		Above 95% on-time delivery. Good routing and scheduling processes.
Fleet Maintenance	Weak		Poor fleet maintenance with frequent vehicle breakdowns.
Technological Capabilities	Weak		Heavy reliance on manual processes, limited use of technology.
Safety Record	Strong		
Regulatory Compliance	Satisfactory		

	Weight	Rating Range		
Management, Governance, Sponsorship	30%	3.5	to	5.0

Anchor Modifiers

	Rating Range		
Anchor Modifiers	(2.3)	to	(2.1)

Modifiers		Contribution	
Revenue Segment	Normalization		< $5M
Trend Analysis	Adjustment		Moderate Positive
Financial Flexibility	Adjustment		Limited
Other Modifier	Risk Flag		No notes to financials

Rating Range (Rounded)

	Rating Range		
Rating Range (Rounded)	3.5	to	4.5