

SURVEILLANCE CREDIT RATING REPORT SONY BRICKS AND CO.



Ref. no.: FR/2022/25879

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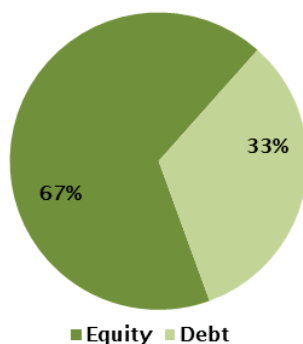
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Key Snapshot:

BDT. in million

Particulars	2021	2020
Revenue	170.08	158.46
EBIT	30.09	26.52
Net Profit	23.85	22.54
Total Assets	119.03	119.03
Total Equity	79.89	79.13
Total debt	39.14	39.90
Net Profit Margin (%)	14.0%	14.2%
CCC (Days)	267	290
ICR (X)	5.02	7.06

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



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	19 September 2022	18 September 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

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 Enterprise Three) rating under the SME Rating to Sony Bricks and Co. (hereinafter referred as "SBC" 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:

- Experienced and skilled management
- Owned business premises and storage facility
- Satisfactory banking relationship
- Good business network
- Good interest coverage position
- Low levered capital structure

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

- Tight liquidity position with long cash conversion cycle
- Inventory holding risk
- 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 level of credit worthiness in relation to other small enterprises.

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