

6th SURVEILLANCE CREDIT RATING REPORT S.B DISTRIBUTION

Ref. no.: FR/2023/033087



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	22 August 2023	21 August 2024

Financial Based on– Unaudited financial statements up to 31 December 2022.

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 & Medium Enterprise Three) rating under the SME Rating to **S.B Distribution** (hereinafter referred to as '**SBD**' or '**The enterprise**') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above ratings have been assigned based on the fundamentals of the enterprise which include positioning of selling point at prime region, good business network, long business experiences of the proprietor, good personal net worth of the proprietor, moderate leverage position in the capital structure, good interest coverage position, and comfortable security arrangement, maintained insurance coverage.

However, the above factors are constrained to some extent by no disclosure in the financial statement, manual accounting process, tight liquidity position, and rented business premises, price volatility of trading products.

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

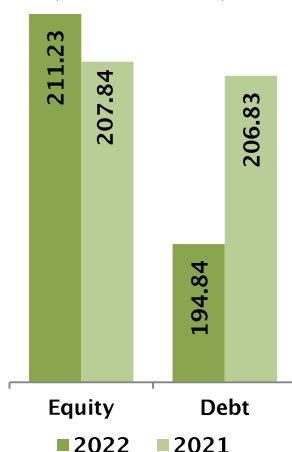
WCRCL also viewed the enterprise with "**Stable**" outlook and believes that **SBD** will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.

Key Snapshot:

BDT. In Million

Particulars	2022	2021
Revenue	674.65	655.26
EBIT	91.59	88.96
Net Profit	75.82	68.92
Total Assets	406.07	414.60
Total Equity	211.23	207.84
Debt	194.84	206.83
Net Profit Margin (%)	11.2%	10.5%
CCC (Days)	177.05	185.26
ICR (X)	5.81	4.44

Capital Structure
(BDT. in million)



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