

## MIRA INFORM REPORT

Report No. :	522256
Report Date :	01.08.2018

### IDENTIFICATION DETAILS

Name :	EGYPTIAN CO FOR ADVANCED CHEMICAL TECHNOLOGY SAE
Registered Office :	Building 2010, El Merag City, Maadi, P O Box: 233, Cairo
Country :	Egypt
Financials (as on) :	31.12.2017
Year of Establishment :	2005
Com. Reg. No.:	13165, Cairo
Legal Form :	Egyptian Joint Stock Company
Line of Business :	Manufacture and import and distribution of cardboard printing inks, water based inks, varnishes and adhesive materials.
No. of Employees :	100

**EGYPTIAN CO FOR ADVANCED CHEMICAL TECHNOLOGY SAE - 522256 PAGE NO. : 2**

**RATING & COMMENTS**

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> January 2017)

**MIRA's Rating :**

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Satisfactory
<b>Payment Behaviour :</b>	No Complaints
<b>Litigation :</b>	Clear

**NOTES:**

Any query related to this report can be made on e-mail: [infodept@mirainform.com](mailto:infodept@mirainform.com) while quoting report number, name and date.

**DISCLAIMER :** This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

## **SUMMARY**

Company Name	: EGYPTIAN CO FOR ADVANCED CHEMICAL TECHNOLOGY SAE
Country of Origin	: Egypt
Legal Form	: Egyptian Joint Stock Company
Registration Date	: 2005
Commercial Registration Number	: 13165, Cairo
Tax Card Number	: 307-541-878
Issued Capital	: £E 100,000,000
Paid up Capital	: £E 100,000,000
Total Workforce	: 100
Activities	: Manufacture and import and distribution of cardboard printing inks, water based inks, varnishes and adhesive materials
Financial Condition	: Fair
Payments	: No Complaints
Operating Trend	: Steady

## **COMPANY NAME**

EGYPTIAN CO FOR ADVANCED CHEMICAL TECHNOLOGY SAE

## **ADDRESS**

### **REGISTERED & PHYSICAL ADDRESS**

Building : Building 2010, El Merag City  
Area : Maadi  
  
PO Box : 233  
  
Town : Cairo  
Country : Egypt  
  
Telephone : (20-2) 24472846 / 24472847/8/9/50  
Facsimile : (20-2) 24472848  
Mobile : (20-100) 6011099  
Email : [info@ecatchemicals.com](mailto:info@ecatchemicals.com) / [ibrahim@ecatchemicals.com](mailto:ibrahim@ecatchemicals.com)

### **Premises**

Subject operates from a medium sized suite of offices that are rented and located in the Suburban Business Area of Cairo.

### **Branch Office (s)**

<u>Location</u>	<u>Description</u>
<ul style="list-style-type: none"><li>4<sup>th</sup> Industrial Zone, Plot 112C Sadat City Menoufeya Tel: (20-48) 2612181 / 2612182 / 2612183 / 2612179 / 2612180 Fax: (20-48) 2611814</li></ul>	Factory premises

## **KEY PRINCIPALS**

<u>Name</u>	<u>Position</u>
<ul style="list-style-type: none"><li>Ahmed Mohamed Abou El Wafa</li></ul>	Chariman
<ul style="list-style-type: none"><li>Ibrahim Mohamed Abou El Wafa</li></ul>	Managing Director

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**EGYPTIAN CO FOR ADVANCED CHEMICAL TECHNOLOGY SAE - 522256 PAGE NO. : 5**

- Ibrahim Abd El Moneim Financial Manager
- Magdy Ali Purchasing Manager
- Fathi Shabana Export Manager
- Wael Abdullatif Accountant

## ***LEGAL FORM & OWNERS***

Date of Establishment : 2005

Legal Form : Egyptian Joint Stock Company

Commercial Reg. No. : 13165, Cairo

Tax Card No. : 307-541-878

Issued Capital : £E 100,000,000

Paid up Capital : £E 100,000,000

Name of Shareholder (s)	Percentage
• Ahmed Mohamed Abou El Wafa	93.0%
• Ibrahim Mohamed Abou El Wafa	3.5%
• Mahmoud Mohamed Abou El Wafa	3.5%

### Notes to the legal Form

A Joint Stock Company ( SAE ) can be both a public or private company the capital of which is divided into shares of equal value; the liability of the shareholder is confined to the value of the shares to which he subscribes, and he is not liable for the debts of the company except within the limit of those shares. A JSC may be 100% owned by foreign investors and there should be at least three shareholders. The minimum capital of JSC companies is EGP 250,000 or EGP 500,000 if it is a public company.

## ***AFFILIATED COMPANIES***

- Wafa Chemical Co  
Building No. 2006  
El Merag City, Maadi  
Cairo  
Tel: (20-2) 24472672/3/4/5/8  
Fax: (20-2) 24472677

**DISCLAIMER** : This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

## **OPERATIONS**

**Activities:** Engaged in the manufacture and import and distribution of cardboard printing inks, water based inks, varnishes and adhesive materials.

Subject is ISO 9001:14001 accredited.

**Import Countries:** Netherlands, Germany, South Korea, China, Japan and Sweden

### **Agencies Held:**

- Seiko
- Compaq
- Brother
- Uniwell
- Optican

**Export Countries:** Yemen, Syria, Lebanon, Kuwait and the United Arab Emirates

**Operating Trend:** Steady

Subject has a workforce of 100 employees.

## **FINANCIAL DATA**

Financial highlights provided by local sources are given below:

Currency: Egyptian Pounds (EGP)

<b>Year</b>	<b>Sales</b>
Year Ending 31/12/15:	EGP 50,500,000
Year Ending 31/12/16:	EGP 51,720,000
Year Ending 31/12/17:	EGP 53,100,000

Local sources consider subject's financial condition to be Fair.

### **Note:**

According to Egyptian Commercial Law, only Joint Stock Companies SAE (Listed on the Stock Market) are required to publish their financial information. Financial information on other legal forms can only be obtained from the companies / businesses directly

**DISCLAIMER :** This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

## **BANKERS**

- Citibank  
PO Box: 188  
Cairo  
Tel: (20-2) 33551877 / 33551874  
Fax: (20-2) 33558056
- Misr International Bank (MIBANK)  
14 Alfy Street  
PO Box: 631  
Cairo  
Tel: (20-2) 25931002  
Fax: (20-2) 25912306

## **PAYMENT HISTORY**

No complaints regarding subject's payments have been reported.

## **SANCTION LIST CHECKS**

The subject and its shareholders have been checked in the following sanctions list databases:

<b><u>Sanctions list</u></b>	<b><u>Results</u></b>
United Nations Sanctions	No matches
Australian Sanctions	No matches
Bureau of Industry and Security (US)	No matches
EU Financial Sanctions	No matches
Office of the Superintendent of Financial Institutions (Canada)	No matches
OFAC - Specially Designated Nationals (SDN)	No matches
UK Financial Sanctions (HMT)	No matches
US Consolidated Sanctions	No matches

## **GENERAL COMMENTS**

During the course of this investigation the following sources were consulted:

- Internal database
- Journals, directories, media & web searches
- Local Registry office

During the course of this investigation nothing detrimental was uncovered regarding subject's operating history or the manner in which payments are fulfilled. As such the company is considered to be a fair trade risk.

## **COUNTRY OUTLOOK**

### **Recent Developments**

The first quarter of FY17 (July to June) marked a slowdown in growth recording 3.4 percent compared to 5.1 percent in the same quarter last year, with annual growth in FY16 registering 4.3 percent. Growth was constrained by severe shortages in hard currency, an overvalued exchange rate and sluggish growth in Europe, Egypt's main trading partner. Key sectors continue to experience negative growth, particularly tourism and the oil and gas extractives sector that has been suffering from underinvestment and arrears.

The annual fiscal deficit in FY16 increased to 12.1 percent of GDP, up from 11 percent the year before. However, in the first half of FY17 the deficit declined to 5.4 percent of GDP, down from 6.4 percent in the same period last year. The improvement in the first half is solely driven by a decline in total expenditures, which compensates for a drop in total revenues. Lower expenditures were driven by a decrease in subsidies and public wages as a percentage of GDP.

The most recent data for the first quarter of FY17 show an overall surplus in the balance of payments of 0.5 percent of projected GDP, compared to a deficit of 1 percent during the same period of the previous year. The improvement in external accounts was mainly due to the narrowing trade deficit induced by an increase in merchandise exports (by 11.2 percent) and a decline in merchandise imports (by 4.8 percent). Meanwhile, Suez Canal receipts further deteriorated by 4.8 percent and net private transfers also declined by 21.8 percent. As a result, the current account deficit widened to 1.4 percent of GDP compared to 1.1 percent in the same quarter of the previous year. More positively, FDI inflows increased to US\$1.9 billion over the same period, up from US\$1.4 billion the previous year.

To stimulate growth and address major macroeconomic imbalances, the government embarked on a major economic reform program. The key features include (i) the liberalization of the exchange rate regime; (ii) fiscal consolidation through a combination of expenditure and revenue measures, notably cuts in fuel subsidies, containment of the wage bill and introduction of VAT; and (iii) reforms to the business environment and addressing impediments to industrial activity.

The reform program was supported by an IMF Extended Fund Facility of US\$12 billion which contributes to cover Egypt's financing needs, the rest of which has been covered through disbursements under the World Bank, the African Development Bank and a number of bilateral loans, in addition to a recent issuance of Eurobonds in the amount of US\$4 billion. Following the floatation, the exchange rate displayed strong overshooting (hitting its



***EGYPTIAN CO FOR ADVANCED CHEMICAL TECHNOLOGY SAE - 522256 PAGE NO. : 10***

Real GDP Growth (%)	2.9	4.4	4.3	3.9	4.6	5.3
Inflation Rate (%)	10.1	10.4	10.2	20.1	14.2	11.3
Current Account Balance (% of GDP)	-0.9	-3.8	-6.1	-5.5	-4.4	-3.8
Fiscal Balance (% of GDP)	-11.5	-11.0	-12.1	-10.5	-9.2	-7.3

\* forecast

**EGYPTIAN CO FOR ADVANCED CHEMICAL TECHNOLOGY SAE - 522256 PAGE NO. : 11**

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.61
UK Pound	1	INR 90.07
Euro	1	INR 80.37
EGP	1	INR 3.83

**Note:** Above are approximate rates obtained from sources believed to be correct

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	PRA
<b>Report Prepared by :</b>	NIT

**DISCLAIMER :** This Report is **PRIVATE & CONFIDENTIAL** and it is prepared at the request of and for its use by the Subscriber only. The Subscriber shall use the contents of the Report merely as an aid to its business. Mira Inform Private Limited ("MIPL") has collated information/data in the Report, which have not been verified unless otherwise specifically mentioned in the Report. The Subscriber shall independently verify the accuracy and correctness of the information/data before in any way acting upon the same. MIPL shall not be liable for any harm, injury, loss or damage caused to the Subscriber due to default by the Subscriber's debtors/beneficiaries in fulfilling their obligations of any nature whatsoever. This Report or any of its portion shall not be used as a documentary evidence or otherwise before any investigative agencies or forum of law. This Report is confidential and proprietary to MIPL. The Subscriber and/or any other person(s) may not reproduce, publish or disclose any of the contents of the Report to others without the express authorization of MIPL. This Report is prepared and issued to the Subscriber without any risk, responsibility or liability on the part of MIPL or its officials.

**RATING EXPLANATIONS**

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)