

## MIRA INFORM REPORT

<b>Report No. :</b>	542983
<b>Report Date :</b>	07.12.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	GEMALTO MIDDLE EAST FZ LLC
<b>Registered Office :</b>	Commercial Building C, Level 1, Dubai Studio City, 500400, Dubai
<b>Country :</b>	United Arab Emirates
<b>Date of Incorporation :</b>	04.02.2008
<b>Legal Form :</b>	Free Zone Limited Liability Company (FZ-LLC)
<b>Line of Business :</b>	<ul style="list-style-type: none"> <li>• Security systems service activities</li> <li>• Providers and distributors of digital security services offering software applications, secure personal devices such as smart cards and tokens, and managed services.</li> </ul>
<b>No. of Employees :</b>	15,000 (Gemalto Group) [2018]

### RATING & COMMENTS

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

<b>MIRA's Rating :</b>	A
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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.

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**ECGC Country Risk Classification List**

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
United Arab Emirates	A2	A2

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

**UNITED ARAB EMIRATES - ECONOMIC OVERVIEW**

The UAE has an open economy with a high per capita income and a sizable annual trade surplus. Successful efforts at economic diversification have reduced the portion of GDP from the oil and gas sector to 30%.

Since the discovery of oil in the UAE nearly 60 years ago, the country has undergone a profound transformation from an impoverished region of small desert principalities to a modern state with a high standard of living. The government has increased spending on job creation and infrastructure expansion and is opening up utilities to greater private sector involvement. The country's free trade zones - offering 100% foreign ownership and zero taxes - are helping to attract foreign investors.

The global financial crisis of 2008-09, tight international credit, and deflated asset prices constricted the economy in 2009. UAE authorities tried to blunt the crisis by increasing spending and boosting liquidity in the banking sector. The crisis hit Dubai hardest, as it was heavily exposed to depressed real estate prices. Dubai lacked sufficient cash to meet its debt obligations, prompting global concern about its solvency and ultimately a \$20 billion bailout from the UAE Central Bank and Abu Dhabi Government that was refinanced in March 2014.

The UAE's dependence on oil is a significant long-term challenge, although the UAE is one of the most diversified countries in the Gulf Cooperation Council. Low oil prices have prompted the UAE to cut expenditures, including on some social programs, but the UAE has sufficient assets in its sovereign investment funds to cover its deficits. The government reduced fuel subsidies in August 2015, and introduced excise taxes (50% on sweetened carbonated beverages and 100% on energy drinks and tobacco) in October 2017. A five-percent value-added tax was introduced in January 2018. The UAE's strategic plan for the next few years focuses on economic diversification, promoting the UAE as a global trade and tourism hub, developing industry, and creating more job opportunities for nationals through improved education and increased private sector employment.

Source : CIA

## **SUMMARY**

<b>COMPANY NAME</b>	GEMALTO MIDDLE EAST FZ LLC			
<b>ADDRESS</b>	Building	Area	Town	PO Box
	Commercial Building C, Level 1	Dubai Studio City	Dubai	500400 Dubai
<b>TEL/FAX</b>	Verified Phones: (+971 4) 448 4500 / Fax: (+971 4) 390 8510			
<b>EMAIL/WEBSITE</b>	Email: info.dxb@gemalto.com / Website: www.gemalto.com			
<b>ACTIVITY</b>	NACE 8020 - Security systems service activities;			
<b>PRINCIPAL</b>	Philippe Vallee Group Chief Executive Officer		Workforce 15,000 (Gemalto Group)	
<b>LEGAL INFO</b>	Date Of Est.	Reg. No.	Legal Form	Status
	04/02/2008	N/A	Free Zone Limited Liability Company (FZ- LLC)	Active
<b>CAPITAL</b>	<b>CURRENCY</b>	<b>AMOUNT</b>		
	AED	500,000		

## **IDENTIFICATION**

<b>CO. NAME</b>	GEMALTO MIDDLE EAST FZ LLC		
<b>BUILDING</b>	Commercial Building C, Level 1		
<b>AREA</b>	Dubai Studio City		
<b>POSTAL ADDRESS</b>	500400 Dubai		
<b>TOWN</b>	Dubai		
<b>COUNTRY</b>	United Arab Emirates		
<b>TELEPHONE</b>	(+971 4) 448 4500 / (+971 4) 390 0150		
<b>FAX</b>	(+971 4) 390 8510		
<b>VERIFIED EMAIL</b>	info.dxb@gemalto.com		
<b>WEBSITE</b>	www.gemalto.com		
<b>BUSINESS HOURS</b>	<b>DAYS</b>	<b>OFFICE HOURS</b>	<b>BREAK TIME</b>
	Sun-Thu	09:00-18:00	13:00-14:00

## **SENIOR PERSONNEL**

<b>MANAGEMENT</b>	<b>NAME</b>	<b>POSITION</b>
	Philippe Vallee	Group Chief Executive Officer

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Group Board of Directors

Alex Mandl

Chairman

Homaira Akbari

Non-Executive Member

Buford Alexander

Non-Executive Member

Philippe Alfroid

Non-Executive Member

Joop Drechsel

Non-Executive Member

Johannes Fritz

Non-Executive Member

Olivier Piou

Non-Executive Member

Jill Smith

Non-Executive Member

Yen Yen Tan

Non-Executive Member

Group Management

Philippe Vallee

Chief Executive Officer

Serge Barbe

Chief Technology Officer

Eke Bijzitter

Governance and Corporate Officer

Philippe Cabanettes

EVP Human Resources

Philippe Cambriel

EVP Corporate Projects and  
France

Sebastien Cano

EVP Enterprise & Cybersecurity

Jean-Pierre Charlet

EVP Legal and Company  
Secretary

Virginie Dupérat-Vergne

Chief Financial Officer

Bertrand Knopf

EVP Banking and Payment

Martin McCourt

EVP Strategy, M&A and Chief  
Marketing Officer

Isabelle Marand

EVP Corporate Communication

<b>WORKFORCE</b>	<b>NO. OF EMPLOYEES</b>	<b>PERIOD</b>
	15,000 (Gemalto Group)	01.2018

## **FINANCIAL SUMMARY**

### **NOTES**

Private companies in UAE are not required to publish or disclose balance sheets. Balance sheets are not available from other sources, and the subject interviewed declined to give any financial information, which the company regards as strictly confidential.

The following financial statements as at 31/12/2017 applies to subject's parent company, Gemalto NV:

	31/12/2017	31/12/2016
	(in thousands of EUR)	
Assets		
Non-current assets		
Property, plant and equipment	316,426	329,448
Goodwill	1,468,214	1,561,666
Intangible assets	757,814	564,588
Investments in associates	8,542	48,011
Deferred tax assets	37,818	111,467
Other investment	39,183	-
Other non-current assets	79,584	64,554
Derivative financial instruments	-	-
Total non-current assets	2,707,581	2,679,734
Current assets		
Inventories	226,339	244,962
Trade and other receivables	998,500	1,027,215
Derivative financial instruments	55,633	11,404
Cash and cash equivalents	320,675	663,517
Total current assets	1,601,147	1,947,098
Total assets	4,308,728	4,626,832
Equity and Liabilities		
Equity		
Share capital	90,424	89,929
Share premium	1,303,799	1,291,795
Treasury shares	(10,721)	(29,042)

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Fair value and other reserves	32,574	(59,872)
Cumulative translation adjustments	(74,485)	74,265
Retained earnings	834,368	1,303,176
Capital and reserves attributable to the owners of the Company	2,175,959	2,670,251
Non-controlling interests	3,375	5,196
Total equity	2,179,334	2,675,447
Liabilities		
Non-current liabilities		
Borrowings	717,986	557,518
Deferred tax liabilities	102,081	120,109
Employee benefit obligations	126,716	133,136
Provisions and other liabilities	129,972	121,480
Derivative financial instruments	-	12,604
Total non-current liabilities	1,076,755	944,847
Current liabilities		
Borrowings	286,788	173,088
Trade and other payables	682,248	715,767
Current income tax liabilities	27,930	31,383
Provisions and other liabilities	52,261	17,332
Derivative financial instruments	3,412	68,968
Total current liabilities	1,052,639	1,006,538
Total liabilities	2,129,394	1,951,385
Total equity and liabilities	4,308,728	4,626,832

CONSOLIDATED INCOME STATEMENT

	31/12/2017	31/12/2016
	(in thousands of EUR)	
Revenue	2,971,717	3,126,531
Cost of sales	(2,013,127)	(1,939,966)
Gross profit	958,590	1,186,565
Operating expenses		
Research and engineering	(197,982)	(188,551)
Sales and marketing	(511,554)	(481,140)
General and administrative	(197,870)	(165,086)

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**GEMALTO MIDDLE EAST FZ LLC - 542983**

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	Other income	10,385	3,192
	Other expenses	(426,493)	(8,034)
	Operating (loss) profit	(364,924)	346,946
	Financial income		
	(expense), net	(32,806)	(34,268)
	Share of profit of		
	associates	(1,243)	2,059
	Impairment of associates	10,105	(21,042)
	Profit (loss) before		
	income tax	(388,868)	293,695
	Income tax (expense)	(35,688)	(107,497)
	Profit (loss) for		
	the period	(424,556)	186,198
<b>FISCAL YEAR-END</b>			31 December.

**LEGAL STATUS**

<b>INCORPORATION</b>	04/02/2008	
<b>REGISTRATION NO.</b>	Trade License No.: 19182	
<b>CHAMBER MEMBERSHIP</b>	128890	
<b>NUMBER</b>		
<b>AUTHORISED CAPITAL</b>	<b>AMOUNT</b>	<b>CURRENCY</b>
	500,000	AED
<b>PAID-UP CAPITAL</b>	<b>AMOUNT</b>	<b>CURRENCY</b>
	500,000	AED
<b>BUSINESS HISTORY</b>	The Company was incorporated in Dubai Studio City on 4 February 2008.	
<b>LEGAL FORM</b>	Free Zone Limited Liability Company (FZ-LLC)	
<b>STATUS</b>	Active	
<b>SOLE SHAREHOLDER</b>	<b>NAME</b>	<b>PERCENTAGE</b>
	Gemalto NV	100.00%
	Barbara Strozziiaan 382	
	Amsterdam 1083 HN	
	The Netherlands	
	Phone: (+31 20) 562 0680	
	Gemalto is an international digital security company providing software applications, secure personal devices such as smart cards and tokens, and managed services. It is the world's largest manufacturer of SIM cards. The company was founded in June 2006 when two companies, Axalto and Gemplus International, merged. It is listed on both Euronext Amsterdam and Euronext Paris under the symbol GTO. Gemalto N.V. is a public company incorporated in the Netherlands. It is headquartered in Amsterdam, and has subsidiaries	

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and group companies in several countries. Globally, Gemalto has 15,000 employees, 118 offices; 17 production sites, 45 personalization centers, and 27 R&D centers in 49 countries.

In December 2017, Gemalto was the subject of a bid from the Thales Group for €4.65 Billion. This was subsequently approved by the board of directors subject to international clearance.

## **OPERATION**

### **BANKERS**

1. HSBC Bank Middle East  
Exit No 22 from Sheikh Zayed Road towards  
Jebel Ali Free Zone main gate 3  
P.O. Box : 66  
Dubai  
Telephone: (+971 4) 807 6207  
Fax : (+971 4) 881 6378
2. Emirates NBD Bank (Fmly Emirates Bank  
International)  
Baniyas Square  
PO Box: 2923  
Dubai  
Telephone: (+971 4) 228 3101  
Fax : (+971 4) 222 6773
3. BNP Paribas  
Emaar Square  
Building 1, 7th floor,  
P.O. Box 7233  
Dubai  
United Arab Emirates  
Phone: (+971 4) 424 8302  
Fax : (+971 4) 425 7814

### **ACTIVITY CODE (NACE)**

8020 - Security systems service activities;

### **LINE OF BUSINESS**

Providers and distributors of digital security services offering software applications, secure personal devices such as smart cards and tokens, and managed services.

### **IMPORT FROM**

Worldwide.

### **EXPORT TO**

Middle Eastern countries.

### **FACILITIES**

Premises comprising administrative offices located at the heading address.

### **RELATED COMPANIES**

Associates

1. Gemalto Argentina S.A.
2. Gemalto Pty Ltd
3. Multos International Pty Ltd
4. SafeNet Australia Pty Ltd
5. Netsize Pty Ltd
6. Gemventures1 N.V.
7. Cinterion Brazil Comércio de Produtos Eletrônicos e Assistência Técnica Ltda.
8. SafeNet Tecnologia em Informatica, Ltda
9. Gemalto do Brasil Cartoes e Terminais Ltda
- 10.SafeNet (BVI) Co. Ltd
- 11.Gemalto Canada Inc.
- 12.SafeNet Canada, Inc
- 13.Gemalto Chile Limitada
- 14.Gemalto Smart Cards Technology Co. Ltd
- 15.Cinterion Wireless Communication Technology (Shanghai) Co., Ltd
- 16.Cogent Systems (Shenzhen) Inc
- 17.Gemalto Technologies (Shanghai) Co. Ltd
- 18.IPX (Beijing) Technology Co., Ltd.
- 19.Shanghai Gemalto IC Card Technologies Co. Ltd
- 20.Information Security Co Ltd
- 21.SafeNet China Ltd
- 22.Gemalto Colombia S.A.
- 23.Gemalto S.R.O.

24. Gemalto Danmark A/S
25. Trüb Baltic AS
26. Gemalto Oy
27. Gemalto International S.A.S.
28. Gemalto S.A.
29. BuzzinBees S.A.S
30. Gemalto Treasury Services S.A.
31. SafeNet France S.A.R.L.
32. ISSM S.A.S.
33. Netsize S.A.
34. Netsize Payment S.A.S.
35. Newcard S.A.S.
36. Trusted Labs S.A.S.
37. TV-Card S.A.S.
38. Gabon Gemalto Gabon S.A.S.
39. Gemalto M2M GmbH
40. Gemalto GmbH
41. Cardag Deutschland GmbH
42. SFNT Germany GmbH
43. Trüb Technology GmbH
44. Netsize Deutschland GmbH
45. Gibraltar Zenzus Holdings Ltd
46. Cogent Systems Inc. HK Limited
47. SafeNet Asia Ltd
48. Gemalto Technologies Asia Ltd

49. Hungary Gemalto Hungary Commercial and Services Ltd
50. Cinterion Wireless Modules India Private Limited
51. Cogent Systems India Private Limited
52. Gemalto Digital Security Private Ltd
53. SafeNet India Private Ltd
54. SafeNet Infotech Private Ltd
55. Gemalto Smart Cards Private Limited
56. Gemplus India Private Ltd
57. PT Gemalto Smart Cards
58. Gemalto Israel Ltd
59. SafeNet Data Security (Israel) Ltd.
60. Gemalto SPA
61. SafeNet Italy Srl
62. Netsize Srl
63. Gemalto Côte d'Ivoire Sarl
64. Gemalto KK
65. Nihon SafeNet KK
66. Gemplus International S.A.
67. Axalto International Ltd
68. Gemalto Sdn Bhd
69. IPX Services Sdn Bhd
70. Gemalto Mexico S.A. de CV
71. SafeNet Mexico S de RL de CV

- 72.MCTel S.A.M.
- 73.Gemalto Maroc sarl
- 74.Gemalto (NZ) Limited
- 75.Gemalto Norge AS
- 76.Gemalto Pakistan (Private) Ltd
- 77.Gemalto Technologies Inc.
- 78.Gemalto Philippines Inc.
- 79.Gemalto Sp. z o.o
- 80.Gemalto Services srl
- 81.Gemalto LLC
- 82.Gemalto Arabia Ltd
- 83.Gemalto Cogent LLC
- 84.Gemalto Senegal SA
- 85.Gemalto Holding Pte Ltd
- 86.Gemalto Pte Ltd
- 87.Multos International Pte Ltd
- 88.Netsize SGP Pte Ltd
- 89.Trusted Logic Asia Pte Ltd
- 90.Gemalto Southern Africa Pty Ltd
- 91.Netsize Proprietary Ltd
- 92. Gemalto Korea Limited
- 93.Gemalto SP S.A.
- 94.SafeNet Spain SL
- 95.Netsize Espana SL
- 96.AB Svenska Pass

- 97.Netsize Internet Payment Exchange AB
- 98.SafeNet Sweden AB
- 99.Gemalto AB
- 100.Gemalto AG
- 101.Gemplus Management & Trading S.A.
- 102.Trub International AG
- 103.SafeNet Technologies Schweiz AG
- 104.SFNT Switzerland GmbH
- 105.Swiss Mobility Solutions S.A.
- 106.Gemalto Taiwan Co. Ltd
- 107.Gemalto (Thailand) Ltd
- 108.Gemalto B.V.
- 109.Gemalto International B.V.
- 110.HAFALAD BV
- 111.SafeNet Europe B.V.
- 112.SafeNet Technologies B.V.
- 113.SFNT BV – One BV
- 114.Gemalto Finance B.V.
- 115.SFNT Netherlands Cooperatief B.A.
- 116.Gemalto Kart ve Terminaller Ltd Sirketi
- 117.Gemalto UK Ltd
- 118.Maosco Ltd
- 119.Gemplus Ltd
- 120.Multos Ltd

- 121.Netsize UK Ltd
- 122.Serverside Group Ltd
- 123.SafeNet UK Ltd
- 124.Gemalto IoT LLC
- 125.Marquis Consulting Services Inc
- 126.Shoreline Business Solution Inc
- 127.Gemalto Cogent Inc
- 128.Source One Direct Inc
- 129.Cogent System Exchange, LLC
- 130.Gemalto SSD Inc
- 131.Gemalto Inc.
- 132.SafeNet Assured Technologies, LLC
- 133.SafeNet, Inc.

## **PAYMENT**

### **CREDIT OPINION**

We consider it is acceptable to deal with subject.

## **SPECIAL REMARKS**

### **INTERVIEWED**

Subject's employees.

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.04
UK Pound	1	INR 90.30
Euro	1	INR 80.55
UAE Dh	1	INR 19.23

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

**INFORMATION DETAILS**

Analysis Done by :	NIY
Report Prepared by :	SYL

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**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)