

MAADEN WAAD AL SHAMAL PHOSPHATE COMPANY LTD (MWSPC) - 517845 PAGE NO. : 1

MIRA INFORM REPORT

Report No. :	517845
Report Date :	02.07.2018

Correct name of the subject is "MAADEN WAAD AL SHAMAL PHOSPHATE COMPANY LTD (MWSPC)"

IDENTIFICATION DETAILS

Name :	MAADEN WAAD AL SHAMAL PHOSPHATE COMPANY LTD (MWSPC)
Registered Office :	Waad Al Shamal Street 12, P O Box: 68861, Riyadh 11537, Turaif 11411
Country :	Saudi Arabia
Date of Incorporation :	16.06.2004
Com. Reg. No.:	3451002631, Turaif
Legal Form :	Limited Liability Company
Line of Business :	Manufacture of phosphate fertilizers, diammonium phosphates and related chemical products.
No. of Employees :	1,000

RATING & COMMENTS

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

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	No Complaints
Litigation :	Clear

NOTES:

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

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Saudi Arabia	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

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SAUDI ARABIA - ECONOMIC OVERVIEW

Saudi Arabia has an oil-based economy with strong government controls over major economic activities. It possesses about 16% of the world's proven petroleum reserves, ranks as the largest exporter of petroleum, and plays a leading role in OPEC. The petroleum sector accounts for roughly 87% of budget revenues, 42% of GDP, and 90% of export earnings.

Saudi Arabia is encouraging the growth of the private sector in order to diversify its economy and to employ more Saudi nationals. Approximately 6 million foreign workers play an important role in the Saudi economy, particularly in the oil and service sectors; at the same time, however, Riyadh is struggling to reduce unemployment among its own nationals. Saudi officials are particularly focused on employing its large youth population.

In 2017, the Kingdom incurred a budget deficit estimated at 8.3% of GDP, which was financed by bond sales and drawing down reserves. Although the Kingdom can finance high deficits for several years by drawing down its considerable foreign assets or by borrowing, it has cut capital spending and reduced subsidies on electricity, water, and petroleum products and recently introduced a value-added tax of 5%. In January 2016, Crown Prince and Deputy Prime Minister MUHAMMAD BIN SALMAN announced that Saudi Arabia intends to list shares of its state-owned petroleum company, ARAMCO - another move to increase revenue and outside investment. The government has also looked at privatization and diversification of the economy more closely in the wake of a diminished oil market. Historically, Saudi Arabia has focused diversification efforts on power generation, telecommunications, natural gas exploration, and petrochemical sectors. More recently, the government has approached investors about expanding the role of the private sector in the health care, education and tourism industries. While Saudi Arabia has emphasized their goals of diversification for some time, current low oil prices may force the government to make more drastic changes ahead of their long-run timeline.

Source : CIA

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SUMMARY

Company Name	: MAADEN WAAD AL SHAMAL PHOSPHATE COMPANY LTD (MWSPC)
Country of Origin	: Saudi Arabia
Legal Form	: Limited Liability Company
Registration Date	: 16 th June 2004
Commercial Registration Number	: 3451002631, Turaif
VAT Number	: 300002789710003
Issued Capital	: SR 2,130,001,875
Paid up Capital	: SR 2,130,001,875
Total Workforce	: 1,000
Activities	: Manufacturers of phosphate fertilizers, diammonium phosphates and related chemical products
Financial Condition	: Undetermined
Payments	: No Complaints

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COMPANY NAME

MAADEN WAAD AL SHAMAL PHOSPHATE COMPANY LTD (MWSPC)

ADDRESS

REGISTERED & PHYSICAL ADDRESS

Location : Waad Al Shamal Street 12
PO Box : 68861, Riyadh 11537
Town : Turaif 11411
Country : Saudi Arabia
Telephone : (966-11) 8748096 / 8748329 / 8748000
Facsimile : (966-11) 8748329 / 8748300
Mobile : (966-50) 0009777
Email : mwspcpresidentoffice@mwspc.maaden.com.sa

Premises

Subject operates from a large suite of offices and a factory that are rented and located in the Industrial Area of Turaif.

Branch Offices

<u>Location</u>	<u>Description</u>
<ul style="list-style-type: none">Ras Khair Area PO Box: 11110 Jubail 31961 Tel: (966-13) 8314163 / 8314178 Fax: (966-13) 3426545 CR No. 2056004970	Office premises

KEY PRINCIPALS

<u>Name</u>	<u>Position</u>
<ul style="list-style-type: none">Khalil Al Watban	Chairman
<ul style="list-style-type: none">Hamd Muteq Al Rashidi	President

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- | | |
|--------------------|-------------------------|
| • Khalid Mudifer | Chief Executive Officer |
| • Lafti Al Qahtani | Legal Officer |
| • Yohan Hunkair | Assistant Legal Officer |
| • Siyam Mohamed | Company Secretary |

LEGAL FORM & OWNERS

Date of Establishment : 16th June 2004

Legal Form : Limited Liability Company

Commercial Reg. No. : 3451002631, Turaif

VAT No. : 300002789710003

Issued Capital : SR 2,130,001,875

Paid up Capital : SR 2,130,001,875

Name of Shareholder (s)	Percentage
• Saudi Arabian Mining Company (Maaden)	60%
• The Mosaic Company	25%
• Saudi Basic Industries Corporation (SABIC)	15%

OPERATIONS

Activities: Engaged in the manufacture of phosphate fertilizers, diammonium phosphates and related chemical products.

On 30th June 2014, subject signed financing agreements with the Public Investment Fund and with commercial banks and other financial institutions for a total amount of SR 18.9 billion without any corporate financial guarantees. This was to fund the development and construction of Maaden Waad Al Shamal Phosphate Project. The loans will be for a period of 16.5 years and will be repaid in semi-annual instalments starting from 31 December 2018. The total cost of the project was estimated at about SR 28 billion.

Import Countries: Europe and the Far East

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Subject has a workforce of approximately 1,000 employees.

FINANCIAL DATA

Companies registered in Saudi Arabia are not legally required to make their accounts public and no financial information was released by the company or submitted by outside sources.

BANKERS

- Al Rajhi Banking & Investment Corporation
PO Box: 28
Riyadh 11411
Tel: (966-11) 4054647 / 4054244
Fax: (966-11) 4044753 / 4052950

PAYMENT HISTORY

No complaints regarding subject's payments have been reported.

GENERAL COMMENTS

The subject and its shareholders/owners have been searched in the following databases; Office of Foreign Assets Control (OFAC), United Nations Security Council Sanctions, Australian Sanctions List, US Consolidated Sanctions List, EU Financial Sanctions List and UK Financial Sanctions List and nothing adverse could be found on the exact names listed within the report.

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.

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.58
UK Pound	1	INR 89.93
Euro	1	INR 79.85
SAR	1	INR 18.32

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

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	NIT

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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)

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