

MIRA INFORM REPORT

Report No. :	537004
Report Date :	01.11.2018

IDENTIFICATION DETAILS

Name :	AL NAHDI MEDICAL COMPANY LTD
Registered Office :	Al Farsi Centre, 3 rd Floor, King Abdullah Street, Ruwais, P O Box: 17129, Jeddah 21484
Country :	Saudi Arabia
Financials (as on) :	31.12.2017
Date of Incorporation :	19.06.1986
Com. Reg. No.:	4030053868, Riyadh
Legal Form :	Limited Liability Company
Line of Business :	Subject's operations are performed through the following divisions: <ul style="list-style-type: none"> • Medical Equipment Division • Beauty Products Division • Pharmacy Division
No. of Employees :	600

RATING & COMMENTS

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

MIRA's Rating : A+

Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	No Complaints

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Litigation :	Clear
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NOTES:

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

ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
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

SUMMARY

Company Name	: AL NAHDI MEDICAL COMPANY LTD
Country of Origin	: Saudi Arabia
Legal Form	: Limited Liability Company
Registration Date	: 19 th June 1986
Commercial Registration Number	: 4030053868, Riyadh
Chamber Membership Number	: 25292
Issued Capital	: SR 1,500,000
Paid up Capital	: SR 1,500,000
Total Workforce	: 600
Activities	: Subject operates through several divisions (see below for details)
Financial Condition	: Good
Payments	: No Complaints
Operating Trend	: Steady

COMPANY NAME

AL NAHDI MEDICAL COMPANY LTD

ADDRESS

REGISTERED & PHYSICAL ADDRESS

Building : Al Farsi Centre, 3rd Floor
Street : King Abdullah Street
Area : Ruwais

PO Box : 17129

Town : Jeddah 21484
Country : Saudi Arabia

Telephone : (966-12) 6576464 / 6409128 / 6761787 / 6760654 / 6712222
Facsimile : (966-12) 6871405 / 6576465 / 6177766 / 6576455
Email : info@alnahdimc.com

Premises

Subject operates from a large suite of offices that are rented and located in the Central Business Area of Jeddah.

Branch Offices

Subject has branch offices located in Riyadh, Dammam and Medina.

KEY PRINCIPALS

<u>Name</u>	<u>Position</u>
• Saleh Salem Bin Mahfouz	Chairman
• Abdullah Amer Al Nahdi	Managing Director
• Abdelelah Salem Bin Mahfouz	Director
• Dr Ibrahim Al Madhoun	Director
• Yasser Joharji	Chief Executive Officer

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• Ammar Aklan	Operations Manager
• Mohamed Loughzail	Chief Strategy Officer
• Khalid Tadlaoui	IT Manager
• Justin Ash	Business Consultant
• John Stublely-Black	Commercial Manager
• Mohammed Alkhubani	Chief Financial Officer
• Hossam Khattab	Chief Marketing Officer
• Raed Jameel Monagel	Supply Chain Manager
• Samer Bokhare	Human Resources Manager

LEGAL FORM & OWNERS

Date of Establishment : 11/10/1406 Hijri (corresponding to 19th June 1986)

Legal Form : Limited Liability Company

Commercial Reg. No. : 4030053868, Jeddah

Chamber Member No. : 25292

Issued Capital : SR 1,500,000

Paid up Capital : SR 1,500,000

Name of Shareholder (s)

- Saleh Salem Bin Mahfouz
- Abdullah Amer Al Nahdi
- Abdelelah Salem Bin Mahfouz
- Dr Ibrahim Al Madhoun
- SEDCO Holding

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OPERATIONS

Activities: Subject's operations are performed through the following divisions:

- **Medical Equipment Division**

Engaged in the import and distribution of medical equipment, laboratory supplies and scientific instruments.

- **Beauty Products Division**

Engaged in the import and distribution of perfumes, cosmetics and beauty products.

- **Pharmacy Division**

Operators of several pharmacies located throughout the Kingdom of Saudi Arabia.

Import Countries: Germany, France, Italy and the United Kingdom.

Operating Trend: Steady

Subject has a workforce of approximately 600 employees.

FINANCIAL DATA

Financial highlights provided by local sources are given below:

Currency: Saudi Riyals (SR)

	Year Ending 31/12/16:	Year Ending 31/12/17:
Total Sales	SR 455,000,000	SR 468,000,000

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

The above financial figures are based on estimations by our local sources.

BANKERS

- Arab National Bank
Madinah Road
PO Box: 9463
Jeddah 21413
Tel: (966-12) 6600272

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Fax: (966-12) 6650202

PAYMENT HISTORY

No complaints regarding subject's payments have been reported.

GENERAL COMMENTS

With its headquarters in Jeddah, Nahdi Medical Company is a leading chain of Saudi retail pharmacy. It manages and operates a nationwide network in 125 cities and villages across the Kingdom, which makes it one of the most prevalent and the fastest growing companies in the region.

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.

Local sources report that payment obligations are met in a generally timely manner and the operating history is clear. As such the company is deemed a fair trade risk and the above credit figure is considered to be within subject's financial means.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 73.99
UK Pound	1	INR 94.10
Euro	1	INR 83.93
SAR	1	INR 19.66

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)