

MIRA INFORM REPORT

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| Report No. : | 534479 |
| Report Date : | 13.10.2018 |

IDENTIFICATION DETAILS

| | |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name : | PRIME ENGINEERING PROJECTS |
| Registered Office : | Al Masood Building, Al Awal Street, Khalifa Bin Zayed, PO Box - 23059, Al Ain |
| Country : | United Arab Emirates |
| Date of Incorporation : | 21.06.1998 |
| Legal Form : | Sole Proprietorship |
| Line of Business : | Subject's operations are performed through the following divisions <ul style="list-style-type: none"> • Light Works • Cable Works • Testing • Over Head Distribution Lines • Building Electrical Works |
| No. of Employees : | 170 |

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 | Acceptable Risk | Business dealings permissible with moderate risk of default |

| | |
|----------------------------|---------------|
| Status : | Satisfactory |
| Payment Behaviour : | No Complaints |
| Litigation : | Clear |

NOTES :

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 (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 |

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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

| | |
|----------------------|--------------------------------------------------------------|
| Company Name | : PRIME ENGINEERING PROJECTS |
| Country of Origin | : Al Ain, United Arab Emirates |
| Legal Form | : Sole Proprietorship |
| Registration Date | : 21st June 1998 |
| Trade Licence Number | : 1118961 |
| Invested Capital | : UAE Dh 250,000 |
| Total Workforce | : 170 |
| Activities | : Subject operates several divisions (see below for details) |
| Financial Condition | : Undetermined |
| Payments | : No Complaints |

COMPANY NAME

PRIME ENGINEERING PROJECTS

ADDRESS

REGISTERED & PHYSICAL ADDRESS

Building : Al Masood Building
Street : Al Awal Street
Area : Khalifa Bin Zayed

PO Box : 23059

Town : Al Ain
Country : United Arab Emirates

Telephone : (971-3) 7211886
Facsimile : (971-3) 7211889
Email : info@prime-ep.com / info@prime-engineering-projects.com

Premises

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

KEY PRINCIPALS

| <u>Name</u> | <u>Nationality</u> | <u>Position</u> |
|-----------------------------------|--------------------|------------------------------|
| • Saleh Mohamed Ibrahim Al Baddad | Jordanian | Proprietor & General Manager |
| • Juma Mutliq Saeed Al Dahiri | Emirati | Local Sponsor |
| • Yaser Al Omari | - | Assistant General Manager |
| • Mutaz Ratrot | - | Financial Manager |
| • Munzer Al Qasem | - | Project Director |
| • Anton Fawzy | - | Project Manager – Civil |
| • Moutaz Maroub | - | Project Manager – Electrical |

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- Jihad Al Baddad

-

Human Resources Manager

LEGAL FORM & OWNERS

Date of Establishment : 21st June 1998

Legal Form : Sole Proprietorship

Trade Licence No. : 1118961 (Expires 19/01/2019) (Please note that 118961 is incorrect)

Invested Capital : UAE Dh 250,000

Mr Saleh Mohamed Ibrahim Al Baddad is the sole proprietor of the business.

OPERATIONS

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

- **Light Works**

Engaged in the provision of lighting solutions and services

- **Cable Works**

Engaged in the import, distribution and installation of cables

- **Testing**

Engaged in the provision of engineering testing services

- **Power Distribution Networks**

Engaged in the installation and maintenance of power distribution networks

- **Over Head Distribution Lines**

Engaged in the installation and maintenance of overhead distribution lines

- **Building Electrical Works**

Engaged in the provision of internal wiring, electromechanical and maintenance works

Import Countries: Europe and the Far East

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Projects:

- Internal roads & services for the new housing sectors at Abu Dhabi Emirate – Contract #2 Muazez – 2002
- Road from R/A275 to Sulaimat R/A – 1999
- Street lighting for Oha & Maesheeq Bridges at Al Ain – Dubai Road – 2000
- Street lighting for Al Buraimi roundabout – Al Ain – 2001
- Al Ain Maziad road development project - 1999
- Lighting of Al Aqaba and Al Jimi Bridges – 2002
- Street lighting works at contract No. M16A/A for Mezyiad Um Gafa & Al Daher Area – Al Ain – 2003
- Maintenance of roads & bridges in Al Ain City Zone – 2 stage 1 – 2002
- Maintenance of roads & bridges in Al Ain City Zone – 2 stage 2 – 2004
- Roads in Mubazzarah Area – 2 – 2004
- Lighting for Royal Guard Training centre – 2004
- Maintenance & Handing over of street lighting system at Al Qurayeh Area at Al Ain – 2005
- Supply & installation street lighting for the Emirates School Roads - 2006
- Supply & installation street lighting for 7th Regt. Camp at Baniyas C3 – 2007
- Supply & installation street lighting for Al Ain – Al Wagan – Al Qua'a Road - 2007

Subject has a workforce of approximately 170 employees.

FINANCIAL DATA

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

BANKERS

- Abu Dhabi Commercial Bank
Khalifa Street
PO Box: 1820
Al Ain
Tel: (971-3) 7669999
Fax: (971-3) 7660349

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.

Local sources report that the subject's operating history is clear with payment obligations met in a generally timely manner. The financial position is satisfactory and the business is deemed a fair trade risk.

FOREIGN EXCHANGE RATES

| Currency | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1 | INR 73.80 |
| UK Pound | 1 | INR 97.65 |
| Euro | 1 | INR 85.55 |
| UAE DH | 1 | INR 20.06 |

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

INFORMATION DETAILS

| | |
|----------------------|-----|
| Analysis Done by : | DIV |
| Report Prepared by : | KET |

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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)