

MIRA INFORM REPORT

Report No. :	527704.2
Report Date :	06.09.2018

IDENTIFICATION DETAILS

Name :	SOUQ.COM FZ LLC
Registered Office :	Thuraya 2 Tower, Office No. 1902, 19 th Floor, Dubai Internet City, PO Box: 73000 & 50025, Dubai
Country :	United Arab Emirates
Date of Incorporation :	2005
Com. Reg. No.:	209289
Legal Form :	Free Zone Limited Liability Company – FZ LLC
Line of Business :	Subject is engaged in the import and distribution of consumer electronics, fashion, household products, furniture, watches, perfume, sports equipment and baby products. Subject also provides consultancy, customer service, development, solutions and support services in the telecommunication and computer industries
No. of Employees :	50

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

Maximum Credit Limit :	US\$ 200,000
Status :	Satisfactory
Payment Behaviour :	No Complaints
Litigation :	Clear

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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 (31.12.2017)	Current Rating (01.04.2018)
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	: SOUQ.COM FZ LLC
Country of Origin	: Dubai, United Arab Emirates
Legal Form	: Free Zone Limited Liability Company – FZ LLC
Start Date	: 2005
Registration Date	: 1st November 2009
Commercial Registration Number	: 209289
Trade Licence Number	: 17646
Issued Capital	: UAE Dh 50,000
Paid up Capital	: UAE Dh 50,000
Total Workforce	: 50
Activities	: Distributors of consumer electronics, fashion, household products, furniture, watches, perfume, sports equipment and baby products
Financial Condition	: Undetermined
Payments	: No complaints
Recommended Credit Limit	: US\$ 200,000

COMPANY NAME

SOUQ.COM FZ LLC

ADDRESS

REGISTERED & PHYSICAL ADDRESS

Building : Thuraya 2 Tower, Office No. 1902, 19th Floor
Area : Dubai Internet City
PO Box : 73000 & 50025
Town : Dubai
Country : United Arab Emirates
Telephone : (971-4) 4370900 / 3654297 / 4290513
Facsimile : (971-4) 4278157
Mobile : (971-50) 3951843 / 9149723
Email : dl-loc-uae-finance@souq.com / mahen@souq.com / mahendra@souq.com
/ mhirbawi@souq.com / njundi@souq.com / ronaldo@souq.com / uae@souq.com

Please note that subject's previous address was, Eagle Hills Building No. 3, Office 211, 2nd Floor, Dubai.

Premises

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

KEY PRINCIPALS

<u>Name</u>	<u>Nationality</u>	<u>Position</u>
• Ronaldo Mouchawar	American	Chief Executive Officer
• Mahendra Asar	-	Commercial Manager
• Muntasir Hirbawi	-	Finance Manager

LEGAL FORM & OWNERS

Date of Establishment : 2005, however subject was registered on 1st November 2009

Legal Form : Free Zone Limited Liability Company – FZ LLC

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Commercial Reg. No. : 209289

Trade Licence No. : 17646

Issued Capital : UAE Dh 50,000

Paid up Capital : UAE Dh 50,000

<i>Name of Shareholder (s)</i>	<i>Percentage</i>
• Souq.Com Inc British Virgin Islands	100%

AFFILIATED COMPANIES

<u>Name</u>	<u>Percentage Held</u>
• Technology Point for Programming Jordan	100%
• Afaq Qtech for General Trading Company Saudi Arabia	70%
• Q Tech General Trading LLC United Arab Emirates	51%
• Toukan and Khoury Jordan	-
• Souq Group Ltd British Virgin Islands	-
• Souq.Com (BVI) Blocker Ltd British Virgin Islands	-

OPERATIONS

Activities: Engaged in the import and distribution of consumer electronics, fashion, household products, furniture, watches, perfume, sports equipment and baby products. Subject also provides consultancy, customer service, development, solutions and support services in the telecommunication and computer industries.

Import Countries: Europe and the Far East

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International Suppliers:

- Google Ireland Ltd Ireland
- Facebook Ireland Ltd Ireland

Subject has a workforce of 50 employees.

FINANCIAL DATA

Companies registered in Dubai, United Arab Emirates are not legally required to make their accounts public and no financial information was released by the company or submitted by outside sources.

BANKERS

- Emirates National Bank of Dubai
Baniyas Street
PO Box: 777
Dubai
Tel: (971-4) 2222555
Fax: (971-4) 2221110

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.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.75
UK Pound	1	INR 92.23
Euro	1	INR 83.13
UAE Dh	1	INR 19.59

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)

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