



**Credit Report**

Your reference : Sxxxx Lx  
Total number of pages : 11

Subscriber No. : XXXX  
Our reference No. : 1XXXXXX  
Type of report : Standard

Enquiry on : Axxxx Wxxxx Ax Gxxxxx Gxxxx  
Saudi Arabia  
Ax Gxxxxx Gxxxxxxxxx P.O. Box 41XXX Oxxxx Sxxxxx Rxxxxx

Report Date : April 17, 2023

**REPORT ON** : Axxxx Wxxxx Axxxxxxxx Ax Gxxxxx Txxxxxx Gxxxx Cxxxxxx  
English Name: Axxxx Wxxxx Axxxxxxxx Ax Gxxxxx Txxxxxx Gxxxx  
Cxxxxxx  
Trade Name: Axxxx Wxxxx Axxxxxxxx Ax Gxxxxx Txxxxxx Gxxxx  
Cxxxxxx  
Ax Uxxxx Rxxx, Ax Gxxxx Gxxxxxxxx, Bxxxxxxxx No. 4XXX, Ax  
Rxxxxxxxx Dxxxxxxxx, PO Box: 41XXX, Postcode: 12XXX, - , Rxxxxx,  
Saudi Arabia



**Score: 5 (out of 10)**

Score Explanation:

It is a financial rating which assesses the probability of companies defaulting within one year.

The assessments are presented over ten distinct positions, each reflecting an average default rate in the coming year: the lower a company's credit score is, the riskier its situation is; the higher its score is, the less risky its situation is.

**Different levels and description:**

Default	Very high risk			Medium high risk		Low risk				
0	1	2	3	4	5	6	7	8	9	10

**0**: Insolvency/preliminary/debt regulation proceedings

**1**: Extremely high risk of insolvency

**2**: Very high risk of insolvency

**3**: High risk

**4**: Significant risk

**5**: Medium high risk

**6**: Acceptable risk

**7**: Moderate risk

**8**: Low risk

**9**: Very low risk

**10**: Excellent risk

**CREDIT RECOMMENDATION WITHOUT OBLIGATION**

**Recommended maximum credit: USD 50,000.00/-**

**SUMMARY**

Founded	: 19XX
Legal form	: Limited Liability Company
Registration date	: 2X/X6/19XX
Activity	: Wholesale of clothing and footwear
Staff	: N/A
Authorized Capital	: SAR 10,000,000
Paid Up Capital	: SAR 10,000,000
Issued Capital	: SAR 10,000,000
Annual revenue	: N/A
Total assets	: N/A
Payments	: Undetermined
Litigation record	: Clear

**All figures are shown in SAR unless otherwise stated.**

**IDENTIFICATION**

Company name : Axxxx Wxxxx Axxxxxxx Ax Gxxxx Txxxxx Gxxxx Cxxxxxx  
English Name: Axxxx Wxxxx Axxxxxxx Ax Gxxxx Txxxxx Gxxxx Cxxxxxx  
Trade Name: Axxxx Wxxxx Axxxxxxx Ax Gxxxx Txxxxx Gxxxx Cxxxxxx  
Ax Uxxxx Rxxx, Ax Gxxxx Gxxxxxxx, Bxxxxxxx No. 4XXX, Ax Rxxxxxxx  
Dxxxxxxx, PO Box: 41XXX, Postcode: 12XXX, - , Rxxxx, Saudi Arabia

Tel. : +96X 1X 4XX 3XXX  
Fax : +96X 1X 4XX 3XXX  
Email : [ixx@axxxxxxxxx.sx](mailto:ixx@axxxxxxxxx.sx)  
Web : www.axxxxxxxxx.sx

Registered address : Ax Uxxxx Rxxx, Ax Gxxxx Gxxxxxxx, Bxxxxxxx No. 4XXX, Ax Rxxxxxxx  
Dxxxxxxx, PO Box: 41XXX, Postcode: 12XXX, - , Rxxxx, Saudi Arabia

**LEGAL FORM**

Subject is established as Limited Liability Company on June 2X, 19XX.

Company Status Registered and operational  
Company Reg. No 101XXXXXX  
Company Reg. Date 2X/06/19XX  
Start Date 2X/06/19XX  
Tax Reg. No 310XXXXXXXXXX  
CR Number 101XXXXXX  
CR Number Expiry date 1X/0X/20XX  
Membership Number  
Expiry date 1X/0X/20XX

**NATURE OF BUSINESS**

Wholesale of clothing and footwear

**CAPITAL**

Authorized Capital SAR 10,000,000  
Paid Up Capital SAR 10,000,000  
Issued Capital SAR 10,000,000

**SHAREHOLDER**

Name	ID/Reg. No	Nationality	Number of Shares	Percentage of Shares	Other Rel	Date Reported
Axxxxx Wxxxxx Axxxxxxx Ax Gxxxxx Hxxxxx Cxxxxx		Saudi Arabia			No	-

Other Directorship of : Axxxxx Wxxxxx Axxxxxxx Ax Gxxxxx Hxxxxx Cxxxxx  
No information available

Other Shareholding of : Axxxxx Wxxxxx Axxxxxxx Ax Gxxxxx Hxxxxx Cxxxxx  
No information available



Mr Axxxx Wxxxx Axxxxxxx  
Mxxxxxxx Ax Gxxxxx,

-

Saudi Arabia

-

**Comment**

Mr. Axxxx Wxxxx Axxxxxxx Mxxxxxxx Ax Gxxxxx (لوهاب XXXXXXXXX)

Other Directorship of : Axxxx Wxxxx Axxxxxxx Mxxxxxxx Ax Gxxxxx,  
No information available

Other Shareholding of : Axxxx Wxxxx Axxxxxxx Mxxxxxxx Ax Gxxxxx,  
No information available

**DIRECTORS**

Name	Position	ID	Occupation	Age	Nationality	Other Rel.	Appointment date
Mr Axxxx Wxxxx Axxxxxxx Mxxxxxxx Ax Gxxxxx,	Director	-	-	-	Saudi Arabia	-	-

**HISTORY**

N/A

**ACTIVITY**

Activity Code	Description
NACE Code	NACE Description
5142	Wholesale of clothing and footwear

**Line of business**

The subject company is engaged in the retail and wholesale of clothing and footwear.

Sells to	Method of Payment	Average % of Sales	Country	Comments
Group Companies, General Public		-	-	-

Export to	Payment terms	Percentage
This information is not available.		

Import from	Payment terms	Percentage
This information is not available.		

**PREMISES**

Premises	Comprise of	Address	Square Meters	Type	Comment
Registered and Headquarter Address	Office	Ax Uxxxxx Rxxx, Ax Gxxxxx Gxxxxxxx, Bxxxxxxx No. 4XXX, Ax Rxxxxxxx Dxxxxxxx, PO Box: 41XXX, Postcode: 12XXX,	-	Owned	According to subject's website: The head office of Ax Gxxxxx



		203XXX , 203XXX, Rxxxxxx, Saudi Arabia			Gxxxx is located at: Address: Ax Oxxxxx-Kxxx Fxxxx Hxxxxxx Jxxxxxxx Oxxxx P.O. Box: 41XXX, Rxxxxx 11XXX, Saudi Arabia Tel. +96XXXXXXXXX X/41XXXXXX Fax. +96XXXXXXXXX X
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**STAFF**

N/A

<b>Employees</b>	<b>Jun 2022</b>
<b>Part Time Employees of Company</b>	-
<b>Comment for Jun 2022</b>	
This information is not available.	

**PARENT COMPANY**

N/A

**OTHER RELATED COMPANIES**

Name	Country	Relation	Date Registered	Comment
Axxxxxxx Gxxxx	Saudi Arabia	Group Company	-	-
Axxxx Wxxxxx Axxxxxxx Ax Gxxxxx Hxxxxxx Cxxxxxx	Saudi Arabia	Shareholder Company	-	-

**FINANCE**

Financial information

Company legislations for the MENA region countries does not mandate for private companies to disclose their financial statements to any third party, thus this information is not readily available from any public sources.

KYC Screening

Please note that our investigation at the date reported revealed no listing of the subject in any FATCA Registrations, Enforcements, Sanctions or Adverse Media Lists, neither was it listed as an SOE.





Please note that the information provided in this report was obtained from official and publicly available sources.

### **CREDIT OPINION WITHOUT OBLIGATION**

Subject is considered good for short-term credit. Normal business is carried out with sufficient resources. Financial conditions are generally healthy and capable of meeting obligations satisfactorily. General unfavorable conditions are unlikely to cause fatal effects. Unsecured credit can be granted in medium amount under the usual trade terms.

### **COVID 19**

#### Saudi Arabia

Background. . Saudi Arabia was hit by two shocks during the COVID-19 crisisXXXXXX□X,X”the spread of COVID-19 and the sharp decline in oil prices. The government responded to the crisis quickly and decisively. The authorities implemented a range of measures to limit the spread of the virus encompassing curfews; travel restrictions (including on international flights and internal public transportation and taxis); suspending prayers at mosques; closing all schools, universities, and shopping malls; suspending employee attendance at government and private workplaces (except for critical staff); and increasing testing. New makeshift hospitals were built to accommodate any potential surge in patients. Temporary housing accommodation and repatriation flights were offered to expatriate workers. The government also restricted last year’s Hajj season to only around 1000 pilgrims. Real oil GDP contracted by X.X percent in 20XX as the OXXX+ group agreed to substantial production cuts to help rebalance the market. After contracting sharply in 20XX Q2, non-oil growth rebounded as the lockdown eased. Real non-oil GDP declined by X.X percent in 20XX but grew by X.X percent in 20XX H2 (compared to 20XX H1) and by X.X percent year-over-year in 20XX Q1. The rebound continued in early 20XX Q2. The PMI picked up again in April and May after easing somewhat in February and March from a 15-month high in January. On Juxx XX, 20XX, the authorities announced that 20XX Hajj season which will start in mid-July, will be restricted to 60,000 citizens and residents.

Reopening of the economy. On May XX, 20XX, the authorities announced a 3-phase plan for removing coronavirus-related restrictions which has resulted in a near reopening of the economy. Umrah pilgrimage resumed on October 4 for nationals and residents with an initial capacity of 30 percent and entered the second phase on October XX with a capacity of 75 percent. On November X, Umrah resumed for foreign pilgrims between XX-XX years of age. International travel resumed on May 17, 20XX. Vaccination started in mid-December 20XX and over XX.X million doses of vaccines, or 51 per 100 hundred people have been given so far. Daily new cases have picked up from early 20XX lows of about 100 and are currently around 1400.





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**MAJOR MACRO ECONOMIC INDICATORS OF Saudi Arabia\*****COUNTRY RISK ASSESSMENT\*****Country Risk Assessment: B****MAJOR MACRO ECONOMIC INDICATORS**

	2020	2021	2022 (e)	2023 (p)
GDP growth (%)	-4.1	3.2	7.0	4.0
Inflation (yearly average, %)	3.4	3.1	3.0	2.0
Budget balance (% GDP)	-11.2	-2.3	5.5	4.0
Current account balance (% GDP)	-3.2	5.3	16.0	12.0
Public debt (% GDP)*	32.4	30.0	25.0	25.0

(e): Estimate (f): Forecast \*General government gross debt

**STRENGTHS**

- Key oil producer with over 15% of the world's proven reserves, leading role in OPEC
- Strong financial buffers
- Intensified economic diversification efforts within the Vision 2030 programme
- Improved diplomatic relations with neighbouring countries
- Young population and rising inclusion of women into the workforce

**WEAKNESSES**

- Economy still driven by the oil sector and fiscal spending despite diversification efforts, slow progress in reforms
- Oil still accounts for 60% of public revenues
- Dependence on foreign workers
- Persistent tensions with Iran, geopolitical uncertainties

**RISK ASSESSMENT****Strong growth on the back of higher hydrocarbon revenues**

Hit by the fall in oil prices/demand and COVID-19 in 2020, the Saudi economy will see its recovery sharply accelerate in 2022, mainly on the back of higher oil prices and increased production (hydrocarbon accounts for 35-40% of GDP). The Kingdom's oil production, which stood at 9.8 million barrels per day (b/d) as of October 2021, should rise close to 12 million b/d in 2022. The easing of COVID-related measures, thanks to the progress in vaccination and higher consumer lending will sustain private



consumption (around 40% of GDP) despite higher interest rates. In line with the easing of travel restrictions, tourism revenues including from hadj pilgrims (contribution to GDP at 3% pre-COVID), are expected to rise by more than 90% YoY to USD 8 billion in 2022. Investment (22% of GDP) will continue to grow driven by elevated oil prices. The authorities seek to increase economic diversification to reduce dependence on oil and imports (“Made in Saudi”) within their 2030 Vision programme, such as with the development of six-giga projects worth USD 7 trillion (including Red Sea project, Neom, Amaala, Qiddiya, etc.), in the tourism, entertainment, construction and infrastructure sectors). The key financing sources will be the Public Investment Fund (PIF) and foreign investments. The government aims to attract more investments, both domestic and foreign, through privatization and partnerships. More foreign investment is expected after the government announced in 2021 that it would no longer work with foreign companies that do not have their regional headquarters located in the Kingdom after 2023. The revision in tariffs on imports from other Gulf countries could have a similar effect. Net exports (5-6% of GDP) will also contribute more to growth in line with the expiry of the OPEC+ supply restrictions and increased oil exports. The inflationary pressures should decline in 2022 as the impact of the tripling the VAT in 2020 fades, but it will remain above historical standards due to global increases in energy, food and transportation prices in the wake of the war in Ukraine, and despite those prices being regulated.

### **Rising external and fiscal surpluses**

High energy prices (hydrocarbon accounts for 70% of total export revenues) and the OPEC decision to boost oil production will feed into Saudi Arabia's current account surplus, despite a slowdown in China's growth, the Kingdom's key export market. On the other hand, higher domestic demand and easing of travel restrictions will result in higher demand for capital and consumer goods imports as well as outbound travelling. The Kingdom's international reserves (USD 450 billion as of April 2022) and the net worth of USD 500 billion estimated in its sovereign wealth fund (Public Investment Fund) will allow the country to easily meet its foreign exchange (FX) denominated debt obligations and easily maintain the peg to the US dollar. External debt stood at 31% of GDP in Q1 2022, out of which 60% was private and 40% public. The Kingdom is due to pay a total of USD 77.6 billion in FX-denominated maturing debt obligations between 2021 and 2025, which does not represent a key challenge given the strong financial buffers.

Record high energy prices following the war in Ukraine (fiscal breakeven price estimated at USD 79 per barrel in 2022, while Coface forecasts oil prices at USD 115 per barrel on average in 2022) and increased oil production will result in a fiscal surplus. The increase in household spending will contribute as well through higher tax revenues. Although the surge in oil revenues may encourage the government to ease the fiscal consolidation, overspending is not expected to be excessive. Budgetary capital spending is expected to increase marginally from 3.7% of GDP in 2021 to 3.8% of GDP in 2022, while current expenditure should stand at 24% of GDP in 2022 compared with nearly 30% in 2021. Public debt, at 31% of GDP in Q1 2022, with 60% being domestic, will see its weight diminish.

### **Shifting regional balances**

Following the announcement of the Abraham Accords in 2020 that initiated diplomatic rapprochement between Israel, the United Arab Emirates and Bahrain (joined later by Sudan and Morocco), it seems that Saudi Arabia, despite some signs of rapprochement, will keep its option to normalize open. Furthermore, talks took place in Iraq between Saudi Arabia and Iran during 2021, following the reduction of U.S. presence in the region and their willingness to restart nuclear negotiations with Iran. Additionally, the need for Saudi Arabia to extract itself from the seven-year war in Yemen, where it has been battling Iran-backed Houthi rebels, and Iran's intention to build regional relations, are other reasons encouraging both countries to start a dialogue. However, no concrete outcome is likely to appear soon. Furthermore, the Kingdom will continue to see the U.S. as its security guarantor, although it seems to want to reduce its dependence in terms of defence systems. Lastly, the recent rapprochement with Turkey would also help to ease regional tensions and rebuild bilateral trade ties.



For further information of country rating and payment experience such as Assets – weaknesses – risk outlook; Industries overview; Insolvency trend; Means of payment and collection methods; and Nonpayment index, please visit our group's official homepage at [www.coface.com](http://www.coface.com) or go directly to your interest at [http://www.coface.com/CofacePortal/COM\\_en\\_EN/pages/home/risks\\_home](http://www.coface.com/CofacePortal/COM_en_EN/pages/home/risks_home)

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