

Enhanced Due Diligence Report with Source
Commentary on

QATAR MEDICAL COMPANY

for Medical Company Client

August 2023



REF: XXXX.XXXXXX

CLIENT CONFIDENTIAL

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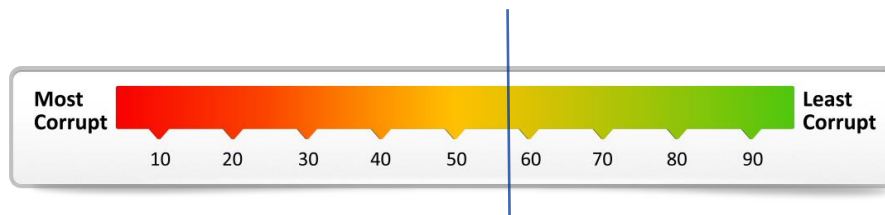
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This is an anonymized sample report used for demonstration purposes. The names of the Subject Company, client, key principals, and other potentially identifying information have all been altered. Any resemblance of the pseudonyms used in this report to real people is unintended.

EXECUTIVE SUMMARY

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- Registered in February 2001, Qatar Medical Company (“Qatar Medical Company” or the “Subject Company”) was identified through official records and open media sources as a distributor of medical equipment and medicines in Doha, Qatar. The Subject Company is headed by managers Mohammed Malek and Rishi Kumar.
- PSA conducted discreet interviews with four human sources all of whom previously worked for the Subject Company. One former employee made detailed and specific allegations of bribery schemes and invoice tampering to evade import duties. This source claimed such misconduct was still ongoing at a recent date and both types of misconduct involved the client’s products. While no other human or media sources corroborated any aspects of these allegations, their specificity and seriousness warrant **RED FLAGS** for corruption and fraud allegations.
- Qatar Medical Company is owned Mohammed Malek (50%) and Khalid Mohammed Malek (50%).
- English and Arabic language media searches did not identify any adverse information pertaining to the Subject Company or the three key principals.
- Human sources contacted by PSA were familiar with Kumar and Mohammed Malek, and identified them as managing director and shareholder, respectively. However, none of the sources were familiar with Khalid.
- No instances of ongoing civil or criminal proceedings against the Subject Company were identified during inquiries conducted at relevant courts. Since information on ongoing civil or criminal proceedings is limited in Qatar, records available in this jurisdiction may not reflect all actual cases and search results therefore cannot be considered comprehensive. Bankruptcy and regulatory checks on the Subject Company returned no results. No instances of overt litigation were found pertaining to the three key principals.
- The Dow Jones RiskCenter database did not identify any relevant results pertaining to the Subject Company, Mohammed Malek, Khalid Malek, or Kumar.

Risk Factors		●	●	●
Overt Regulatory Risks	Bribery and Corruption	●		
	Public Bidding Irregularities			●
	Politically Exposed Persons/Government Employees			●
	Government Entities/State-Owned Enterprises			●
	Sanctions or Export Control Issues			●
	Money Laundering			●
	Terrorism Financing or Support			●
	Arms Trafficking			●
Criminal or Regulatory Violations	Fraud, Collusion, or Embezzlement	●		
	Anticompetitive Practices			●
	Intellectual Property Violations			●
	Financial Violations			●
	Other Criminal Investigation or Prosecution			●
	Other Regulatory Issues			●
Operational Risks	Liquidated, Delisted, or Dissolved Entity			●
	Bankruptcy or Significant Financial Issues			●
	Debarred, Disqualified, or Prohibited Person/Entity			●
	Significant Labor Issues			●
	Significant Civil Litigation			●
	Political Risks			●
Sustainability, Ethics, and Governance Issues	Human Rights Violations			●
	Social Responsibility Issues			●
	Environmental Issues			●
	Significant Internal Controls or Governance Issues			●
	Reputational Risks			●
Other Risk Factors				●

- Derogatory information found
- Potentially/moderately derogatory information found
- No relevant information found

PRIMARY SUBJECT: QATAR MEDICAL COMPANY

Registered in February 2001, Qatar Medical Company (“Qatar Medical Company” or the “Subject Company”) was identified through official records and open media sources as a distributor of medical equipment and medicine in Doha, Qatar. The Subject Company is owned by manager Mohammed Malek (50%) and Khalid Mohammed Malek (50%). Rishi Kumar was identified through official records as one of its managers.¹

The Subject Company has a moderate media profile which consists of third-party databases and lists of distributors of medical equipment in Qatar,^{2 3} as well as an article from 2011 which documented an event in which Qatar Medical Company sponsored the town of Al Bidda’s football team, Al Bidda SC, for one season.⁴

Corporate Registration Information

OFFICIAL REGISTRATION INFORMATION ⁵		
Company Name	Name in Local Language	XXXXXX
	Name in English	Qatar Medical Company
Status	Active	
Date of Registration	February 17, 2001	
Registered Address	Doha, Qatar	
Legal Form	Limited Liability Company	
Registration No.	12345	
Nominal Capital	QAR 200,000 (USD 54,930) ⁶	
Line of Business	Distribution and commerce of medical equipment, chemicals, and medicines	

COMPANY SHAREHOLDING ⁷		
Name	Capital Contribution	Shareholding %
Mohammed Malek	QAR 100,000 (USD 27,465)	50%
Khalid Mohammed Malek	QAR 100,000 (USD 27,465)	50%
TOTAL	QAR 200,000 (USD 54,930)	100%

MANAGEMENT ⁸	
Name	Position
Rishi Kumar	Manager
Mohammed Malek	Manager

¹ Ministry of Economy and Commerce - Registration & Commercial Licenses Department - Doha, Qatar

² Link

³ Link

⁴ Link

⁵ Ministry of Economy and Commerce - Registration & Commercial Licenses Department - Doha, Qatar

⁶ Conversion Rate Used: QAR 1 = USD XX.XX

⁷ Ministry of Economy and Commerce - Registration & Commercial Licenses Department - Doha, Qatar

⁸ Ministry of Economy and Commerce - Registration & Commercial Licenses Department - Doha, Qatar

English Language Media Searches

English language open-source research was conducted to identify any negative or potentially damaging information related to the Subject Company. No adverse information was found.

Local Language Media Searches

Arabic language open-source research was conducted to identify any negative or potentially damaging information related to the Subject Company. No adverse information was found.

Litigation, Bankruptcy, and Regulatory Checks

No instances of ongoing civil or criminal proceedings against the Subject Company were identified during inquiries conducted at relevant courts. Since information on ongoing civil or criminal proceedings is limited in Qatar, records available in this jurisdiction may not reflect all actual cases and search results therefore cannot be considered comprehensive.

Bankruptcy and regulatory checks on the Subject Company returned no results.

QATAR	
No.	Type of Check
1	Litigation
1.1	Ministry of Justice - Court of First Instance of Doha
1.2	Ministry of Justice - Public Prosecution of Doha: Criminal Court of Doha
2	Bankruptcy and Debt
2.1	Ministry of Justice - Court of First Instance of Doha: Commercial Chamber
3	Regulatory
3.1	Ministry of Public Health - Doha, Qatar
3.2	Ministry of Economy and Commerce: Registration & Commercial Licenses Department - Doha, Qatar
3.3	Doha Chamber of Commerce and Industry - General Secretariat

Global Database Checks

A search on the Subject was conducted in the Dow Jones RiskCenter database to identify any sanctions listings, political exposure, SOE status or affiliation, or involvement in human rights violations, fraud, money laundering, financial issues, price fixing, terrorism, or other criminal activities. No adverse results were found.

SECONDARY SUBJECT: MOHAMMED MALEK

Mohammed Malek was identified through official records as one of the Subject Company's managers.⁹ According to his LinkedIn profile and Qatar Medical Company's corporate website, he is the Subject Company's chairman.^{10 11}

English Language Media Searches

English language open-source research was conducted to identify any negative or potentially damaging information related to the Subject. No adverse information was found.

Local Language Media Searches

Arabic language open-source research was conducted to identify any negative or potentially damaging information related to the Subject. No adverse information was found.

Overt Litigation (from Media)

Online searches were undertaken to identify any instances of overt litigation pertaining to the Subject. No instances of overt litigation were identified.

Global Database Checks

A search on the Subject was conducted in the Dow Jones RiskCenter database to identify any sanctions listings, political exposure, SOE status or affiliation, or involvement in human rights violations, fraud, money laundering, financial issues, price fixing, terrorism, or other criminal activities. No adverse results were found.

We note that the Dow Jones RiskCenter flagged a similarly named "Mohammad Malek" as an inactive politically exposed person for his former membership at the Qatari state legislative body "Majlis as-Shura", or the "Shura Council", from an unspecified date to November 2017. Due to differences in name and appearance,¹² this result can be ruled out as a **FALSE POSITIVE**.

⁹ Ministry of Economy and Commerce - Registration & Commercial Licenses Department - Doha, Qatar

¹⁰ Link

¹¹ Link

¹² Link

SECONDARY SUBJECT: KHALID MOHAMMED MALEK

Khalid Mohammed Malek was identified through official records as the Subject Company's 50% shareholder.¹³

Khalid Mohammed Malek has a limited media profile.

English Language Media Searches

English language open-source research was conducted to identify any negative or potentially damaging information related to the Subject. No adverse information was found.

Local Language Media Searches

Arabic language open-source research was conducted to identify any negative or potentially damaging information related to the Subject. No adverse information was found.

Overt Litigation (from Media)

Online searches were undertaken to identify any instances of overt litigation pertaining to the Subject. No instances of overt litigation were identified.

Global Database Checks

A search on the Subject was conducted in the Dow Jones RiskCenter database to identify any sanctions listings, political exposure, SOE status or affiliation, or involvement in human rights violations, fraud, money laundering, financial issues, price fixing, terrorism, or other criminal activities. No relevant results were found.

¹³ Ministry of Economy and Commerce - Registration & Commercial Licenses Department - Doha, Qatar

SECONDARY SUBJECT: RISHI KUMAR

Rishi Kumar was identified through official records as one of the Subject Company's managers.¹⁴ According to his LinkedIn profile, as well as the Subject Company's corporate website, he is the Subject Company's managing director.¹⁵ ¹⁶ Information from a third-party database indicated that he also owns seven other companies that operate in the medical and construction industry in Kerala, India.¹⁷

English Language Media Searches

English language open-source research was conducted to identify any negative or potentially damaging information related to the Subject. No adverse information was found.

Local Language Media Searches

Arabic language open-source research was conducted to identify any negative or potentially damaging information related to the Subject. No adverse information was found.

Overt Litigation (from Media)

Online searches were undertaken to identify any instances of overt litigation pertaining to the Subject. No instances of overt litigation were identified.

Global Database Checks

A search on the Subject was conducted in the Dow Jones RiskCenter database to identify any sanctions listings, political exposure, SOE status or affiliation, or involvement in human rights violations, fraud, money laundering, financial issues, price fixing, terrorism, or other criminal activities. No adverse results were found.

¹⁴ Ministry of Economy and Commerce - Registration & Commercial Licenses Department - Doha, Qatar

¹⁵ [Link](#)

¹⁶ [Link](#)

¹⁷ [Link](#)

SOURCE COMMENTARY

Discreet interviews were conducted with four human sources who have industry knowledge and are positioned to speak about the reputation and activities of the Subject Company. The commentary of these individuals is reported below.

SOURCES INTERVIEWED	
Source One	Former employee who is an expatriate
Source Two	Former procurement officer who worked at the Subject Company for a year
Source Three	Former procurement officer that worked at the Subject Company for two years
Source Four	Former engineer at the Subject Company

One source provided detailed allegations of bribery and invoice tampering. While these allegations were not corroborated by any other human or media sources, the specificity and seriousness of the allegations warrant **RED FLAGS** for corruption and fraud.

Source One: Former Employee

The source is a former employee at Qatar Medical Company who was laid off by the Subject Company as part of a downsizing effort.

The source shared that Qatar Medical Company is managed by the CEO, Rishi Kumar (“Kumar”) who is an Indian national from Kerala and is engaged in the company’s day-to-day management. According to the source, Kumar tends to hire his relatives as key executives at Qatar Medical Company. He added that the head of logistics at Qatar Medical Company is the CEO’s nephew, the IT head is the CEO’s son in law and the key salesperson is the CEO’s brother-in-law. The source did not mention Khalid Mohammed Malek.

The source made significant allegations of corruption and fraud at Qatar Medical Company. He claimed that employees at the company know of these issues that were considered as “open secrets.” The first claim is that the Subject Company’s sales employees have connections with end users, both procurement officers and top hospital management. He claimed that Qatar Medical Company pays 5% commissions to end users to inflate orders of medical equipment from Qatar Medical Company. He described this commission as kickbacks that were paid in the form of gifts, cash, or travel to the complicit employee. The compensation is negotiated ahead of the transaction. The source provided an example of an inventory manager from an unspecified company requested extra orders from Qatar Medical Company and then was rewarded with QAR 60,000 (USD 16,400). He added that between 2018 and 2019 the Subject Company rewarded two individuals an all-expense paid trip to Bangkok for inflating orders. The source said he has not reported any misconduct to the authorities.

A second serious allegation made by the source is that the Subject Company manually alters the type and value of products on its invoices to decrease the amount of import duties. This is done without the knowledge and consent of the authorities. The invoices would be used for airport clearance and

customs. When asked about whether authorities knew about such practices, the source claimed that these instances were not reported.

When asked about which agencies these allegations pertained to, the source mentioned the Client as one of the companies whose products were involved in both the kickback scheme and the false invoicing scheme. He added that although this misconduct involved many products that Qatar Medical Company distributes, the suppliers are unaware of these alleged practices. The source added that Qatar Medical Company's sales have been increasing because of the practices described above.

The source claimed that these practices were still ongoing at the time he was laid off. We note that we have withheld the precise time of the source's tenure with the Subject Company in order to ensure his anonymity. However, we observe that the alleged time of this misconduct is sufficiently recent to warrant the most elevated levels of concern. While no other information from human or media sources corroborates the source's allegations, the specificity and seriousness of his allegations warrant **RED FLAGS** for corruption and fraud.

Source Two: Former Procurement Officer

The source was a former procurement officer who worked for one year at Qatar Medical Company. He stated that he left the Subject Company for better opportunities. According to the source, Qatar Medical Company is one of the top three medical distributors in Qatar and considered Mustafa Medical and Ibrahim Medical as the Subject Company's competitors. He stated that the Subject Company employs between 150 and 200 people.

The source stated that the Subject Company's latest project is equipping an extension of the government-funded hospital Sidra Medical in Qatar. He stated that most of Qatar Medical Company's customers are governmental entities including Hamad Hospitals, Sidra Hospital, Qatar Foundation, and army hospitals. He stated that Rishi Kumar is the managing director and top individual who manages the entity. The source recognized Mohammed Malek and considered him as the sponsor and silent shareholder who is not active in the company's activities. The source did not mention Khalid Mohammed Malek.

The source was directly asked about any corruption or other significant issues that may have occurred at Qatar Medical Company. After a notable pause that PSA's representative interpreted as a potential indication of hesitancy to answer this question, the source claimed that he has not heard of any such issues while working at Qatar Medical Company.

Source Three: Another Former Procurement Officer

The source worked at the Subject Company for two years. He has over eight years of experience as a procurement officer. The source confirmed that Qatar Medical Company distributes medical equipment to hospital and clinics. He stated that the company enjoys a good reputation in the market but did not comment any further.

He described Kumar as the managing director and Mohammed Malek as a sponsor of the Subject Company. The source added he only saw Mohammed Malek a few times at the Subject Company's office. He added that the Subject Company has worked with NMC Healthcare, Sidra Medical, Qatar Foundation and the American Hospital in Qatar.

The source stated that he has not heard of any issues of corruption or bribery with Qatar Medical Company. He did not mention Khalid Mohammed Malek.

Source Four: Former Engineer

The source was an engineer at the Subject Company who left due to personal reasons. The source briefly explained the Subject Company distributes medical and lab equipment and that it is managed by Kumar, though he was unaware of Mohammed or Khalid's activities.

The source stated that he has not heard of any corruption, bribery, or similar issues pertaining to Qatar Medical Company.

ANNEX A: GLOBAL DATABASE CHECKS DETAILS

GLOBAL DATABASE CHECK DETAILS	
1. International PEP Databases	2. Government Prohibited Persons and Entities
Legislation such as the FCPA and Section 312 of the USA PATRIOT Act require the identification of foreign Politically Exposed Persons (PEPs). The PEP databases used contain records of current or former senior ranking public officials, including government officials and politicians. Where possible, searches cover local public officials, as well as relatives, close associates, and corporate affiliations of PEPs.	The entities in this database are under international sanctions or are otherwise prohibited as business partners due to their connection to terrorism, money laundering, arms trafficking, rogue regimes, or similar activities. Datasets include sanctions lists from the United Nations, EU, and 37 countries, as well as additional exclusion lists from the World Bank, Interpol, the International Criminal Court, and 62 countries.
3. Corruption and Bribery Databases	4. Terrorism Risk Database
Databases focus on individuals in public positions who have allegedly abused their position and are reported to have been arrested on suspicion of, charged with, or convicted of corrupt activities, including bribery, kickbacks, and breaches of trust. This includes information from corruption commissions, crime stoppers programs, attorney-general's offices, interior ministries, intelligence agencies, and lists such as the World Bank Debarred Party List.	Databases used contains individuals arrested on suspicion of, charged with, or convicted of acts relating to terrorism. This category includes individuals associated with or influenced by terrorist organizations not necessarily acting on those organizations' behalf. Activities also include financing of terrorist acts or organizations. Individuals are further identified through extensive and up-to-date adverse media databases and additional searches.
5. Financial Regulatory Risk	6. Serious and Organized Crime Databases
Databases include individuals and entities involved in corruption, fraud, sanctions, and regulatory issues, as well as any related adverse media. This also includes enforcement orders, warnings, reports, investigations, and allegations issued by regulatory authorities and supervisory bodies.	Databases include lists of individuals and entities associated with potentially serious crimes and high-level cases, including organized crime, trafficking, and narcotics offenses. The dataset includes more than 50,000 "wanted" notices worldwide.
7. Global Social and Environmental Misconduct	8. Corporate Fraud and Financial Risk
Databases include individuals and entities connected to misconduct including, but not limited to, discrimination and workforce rights, human rights abuses, workplace health and safety issues, environmental issues, product and service quality issues, and production and supply chain issues.	Databases include corporate entities and private individuals involved in financial crime activities such as fraud, theft, money laundering, tax evasion, and other tax-related offences. These results are then enhanced by adverse media databases and to further identify potential misconduct and risks.
9. State Owned Entities and Connections	10. Competition and Infringement Risks
Databases used track business organizations with a corporate structure for which the supra-national, national, region, provincial, or local governments hold >1% of issued shares, majority voting control, and/or have the power to appoint positions. This includes subsidiaries, assets, branches, and board members associated with SOEs.	Searches include official reports and media sources related to allegations or evidence of monopolies, antitrust, restrictive, and other unfair competition issues. These searches also include reported disagreements over patents, copyrights, and intellectual property, allegations of trade secret theft, and abuses of privacy laws.



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