



ARTICLES OF ASSOCIATION

OF

National Finance Co. SAOG (the “Company”)

Preamble:

The Company was established in accordance with the provisions of Laws and Legislations regulating the establishment of the Commercial Companies and the provisions of this Articles of Association, and since the Commercial Companies Law promulgated by Royal Decree 18/2019 stipulated the abolition of the Commercial Companies Law issued by Royal Decree No. 4/1974, it is obligatory for existing joint stock Companies to amend its Articles of Association in accordance with the provisions of the aforesaid law.

An Extraordinary General Meeting of the Company was held on 4 June 2020 and decided to approve the amendment of the Company's Articles of Association as follows:

Article 1: Name of the Company

The name of the Company is National Finance Co. SAOG. A Public Joint Stock Company (the “Company”)

Article 2: Head Office

The head office of the Company shall be situated in Muscat Governorate, Sultanate of Oman. The Board of Directors may establish other branches, agencies or offices within the Sultanate of Oman, GCC countries or abroad.

Article 3: Duration of the Company

The duration of this Company is unlimited, it commences from the date of its registration at the Commercial Registry.

Article 4: Company's Objects

The objects for which the Company is established are:





- A. To carry on the business of leasing, hire purchase, lease and lease financing, lessors and licensors of movable, immovable and other assets and properties including industrial or all various properties including industrial or other plants, machinery, fittings and fixtures, tools, apparatus, utensils, materials and things for any purpose whatsoever including but not being limited to civil, industrial, commercial, agricultural and transportation equipment, medical and scientific apparatus, use of natural resources, whatsoever;
- B. To acquire moveable and immovable properties and assets for the purposes of lease, hire purchase, license or sale, hire, let on hire on such terms, conditions, consideration or extent as may appear feasible and for the purposes to acquire right, title or interest in such manner or to such extent in the property or properties, asset or assets so also to acquire permanent or temporary rights in properties and assets or otherwise to obtain control of such property under various financing arrangements;
- C. To generally operate as a lease, hire purchase and sale financing company and also carry on the functions of planning, promoting, development and organizing schemes for the establishment of industrial, commercial, trading, agricultural and mining services;
- D. To advance or borrow money with or without security, upon such terms as may be arranged, and also to make advances or borrowings upon any securities or investments or on the security of any property whether movable or immovable or any interest therein, in the Sultanate of Oman or in any foreign country or state;
- E. Import, export, and act as agents and commercial representatives;
- F. To act as Insurance Agent.

For achievement of its objects the Company shall have the right:-

- 1) to draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments and commercial or trading documents concerning the business of the Company.
- 2) to form, promote, organize and assist or aid in forming, promoting, subsidizing, organizing or aiding companies, syndicates or partnerships of all kinds for the purpose of acquiring, obtaining on lease, license or hire, the properties of the Company or any other company or of advancing directly or indirectly the objectives thereof or for any other purpose which the Company may think expedient and to take or otherwise acquire, hold and dispose of shares, debentures and other securities in or of any such company and to subsidize or otherwise assist any such company, without indulging in investment business;





- 3) to enter into any contract, agreement or arrangements with the Government of the Sultanate of Oman, or Local Authorities or any other person, which may seem conducive to the Company's objects or any of them and to obtain from any such Government, Authority or person any concessions, grants or decrees, rights or privileges whatsoever which the Company may think fit or which may seem to the Company capable or being turned to account and to comply with, work, develop, carry out, exercise and turn to account any such arrangements, concessions, grants, decrees, rights or privileges.
- 4) to guarantee, indemnify or become liable for the payment of money or for the performance of any obligation by any other company, firm or person and to give any kind of security for the payment of such money or the performance of such obligation by such other company, firm or person and generally to transact all kinds of guarantee business and counter-guarantee business and for the aforesaid purposes to enter into any contract or contracts of suretyship either alone or with co-sureties and in any such contract of suretyship to waive all or any of the privileges to which sureties are by law entitled, and to secure if necessary any obligation or obligations undertaken by the Company as guarantor or co-guarantor or otherwise by mortgage, charge, assignment or otherwise of the whole or any part of the undertaking, property, assets or revenue of the Company present or future;
- 5) to issue and deposit any securities which the company has power to issue by way of mortgage, to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company or in whose business or undertakings the Company is interested, whether directly or indirectly.
- 6) to invest and deal with the moneys of the Company not immediately required by the Company, in such manner as may from time to time be determined.
- 7) to sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose off, turn to account, or otherwise deal with, all or any part of the business or property or any rights of the Company either together or in portions, for such consideration as the Company may think fit;
- 8) to purchase or otherwise acquire or take on lease or license land and buildings for the purposes of the Company and or to sublet, lease or sell the land and buildings so acquired and to provide any management services for any such land or buildings howsoever acquired;
- 9) to acquire shares in any other company whose objectives are related to those of this Company and to do any deed which may benefit the Company whether inside or outside the Sultanate of Oman.





- 10) to merge with or participate in any company or corporation of which some or all of its objects are related to the Company's objects or the Company has a commercial interest in the same and to purchase any company in order to acquire its business;
- 11) to develop and turn to account any land acquired by the Company or in which it is interested, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, painting, setting up and improving buildings and conveniences and by planting, paving, draining, farming, cultivating, letting out buildings on lease or rent, and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others;
- 12) to distribute amongst the members of the Company in specie any property of the Company and in particular any shares, debentures or securities of other Companies belonging to the Company or of which the Company may have the power to dispose;
- 13) to do all such other things as are incidental or conducive to the above objects or any of them.
- 14) in furtherance of the Company's objects to enter into contracts with individuals or companies within or outside the Sultanate of Oman for the management of all or part of its operations and activities, or for assistance in such management by local and foreign sources of expertise.
- 15) in furtherance of the Company's objects to perform all acts, enter into all contracts and dealings and do all things necessary, suitable, convenient or proper for the accomplishment thereof which are permissible under the laws of the Sultanate of Oman in force from time to time.

Nonetheless, the Company may carry out all the activities necessary to achieve its related and complementary purposes and does not limit activities except those prohibited by the laws in force in the Sultanate or provided for in this Articles of Association or decided by its General Meeting.

Article 5: Share Capital

The authorized capital of the Company amounts to Seventy Five Million Omani Rials (OMR 75,000,000) and the issued capital of the Company is equal to Omani Rials Fifty Four Million, One Hundred Twenty Three Thousand, Forty Five and Four Hundred Baizas only (OMR. 54,123,045.400), divided to Five Hundred Forty One Million, Two Hundred Thirty Thousand and Four Hundred Fifty Four (541,230,454) shares.





Article 6: Board of Directors

6.1 The Company shall be managed by a Board of Directors consisting of 9 members elected by the General Meeting from amongst the shareholders or non-shareholders and in accordance to the rules issued by the Competent Authority

6.2 If the office of a director becomes vacant in the period between two ordinary general meetings, the Board of Directors may appoint a temporary director who meets the board membership requirements to assume his office until the next ordinary general meeting.

6.3 The Board of Directors shall have full authority to perform all acts required for the management of the Company pursuant to its objects. Such authority shall not be limited or restricted except as provided by law or by the Articles of Association of the Company, or the resolution of the General Meeting.

The board of directors shall be responsible for the following:

- A. To approve the company's commercial and financial policies together with its estimated budget with a view to achieving the objects of the company and to maintain and promote the rights of its shareholders;
- B. To develop, review and update necessary plans from time to time in order to put into operation the company's objectives and carry out its activities in the light of the purpose underlying its establishment;
- C. To adopt the Company's disclosure measures and to follow up the implementation thereof in accordance with the disclosure rules and guidelines issued by the Capital Market Authority.
- D. To supervise the performance of the executive management and to ensure that the work proceeds in a manner which achieves the company's objectives in the light of the purpose underlying its establishment;
- E. To provide accurate information to the shareholders on the dates specified by the Capital Market Authority in the disclosure rules and guidelines.
- F. To appoint and dismiss the Chief Executive Officer or the General Manager or the members of the executive management provided that none of them shall be the Chairman of the Board of Directors. Also to appoint and dismiss staff who shall work with any of them pursuant to the organizational structure of the Company and to specify their rights and duties.
- H. To appraise the performance of the employees mentioned in the previous item and to assess the work carried out by the committees formed by the board pursuant to article 183 of the Commercial Companies law;





- I. To approve the financial statements related to the Company's business as submitted by the executive management to the board quarterly in a way which reflects the exact financial position of the Company;
- J. To include in the annual report presented to the general meeting the reasons which justify the ability of the company to pursue its specified activities and the achievement of its objectives;
- K. To appoint a Secretary to the Board in their first meeting.
- L. To include in the Corporate Governance Report a full statement of all amounts which a director might have received during the course of each year.
- M. Carry out the company's disclosure procedures and follow the application thereof in accordance with the rules and conditions of disclosure issued by the Competent Authority.

Article 7: Bonds and Sukuk's

The Company in exchange for the amounts it borrows may issue Bonds or Sukuk in accordance to the provisions of the Capital Market Law and Executive Regulation.

Article 8: Financial Year

The Company's financial year shall commence on 1st January and end on 31st December of each year.

Article 9: General Provisions

The provisions of the Commercial Companies Law No. 18/2019 and the provisions of the Capital Market Law No. 80/98 and the provisions of the Banking Law No. 114/2000, and the regulations and instructions issued in implementation thereof and the relevant legislation regulating the activities of the Company are applied in all that is not explicitly stipulated in this Articles of Association and the Company shall seek to obtain the approvals of the Central Bank of Oman whenever required and in accordance with the applicable regulations. In order to comply with the instructions issued by Central Bank of Oman from time to time, the application of the provision of this Article of Association are subject to the prior approval of the Central Bank of Oman

Chairman

Legal Advisor

