



# A NEW ERA OF DIGITAL FINANCIAL SOLUTIONS

ANNUAL REPORT 2024



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# 2024: A LANDMARK YEAR

**2.48 SAR/BN**  
Investment in Islamic Financing Contracts

**50+**  
Number of Locations Across the KSA

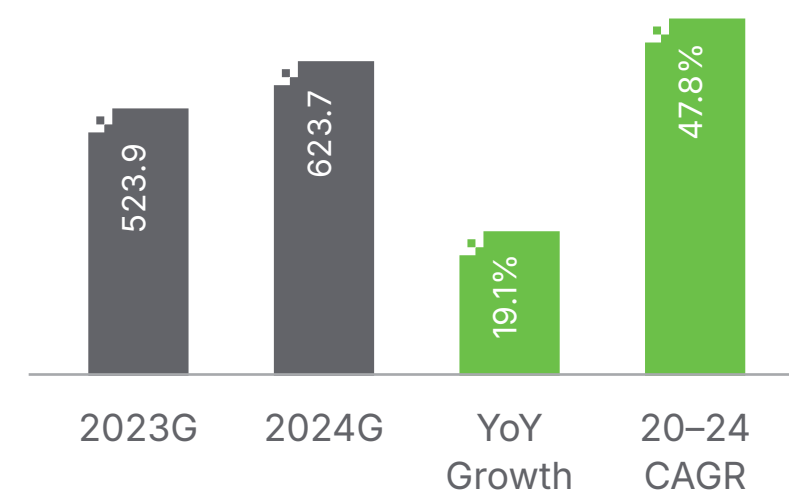
**543.7 SAR/BN**  
Net Income from Islamic Financing Activities in FY 2024G Up 18.1% YoY

**+222K**  
Customers Up 52% YoY

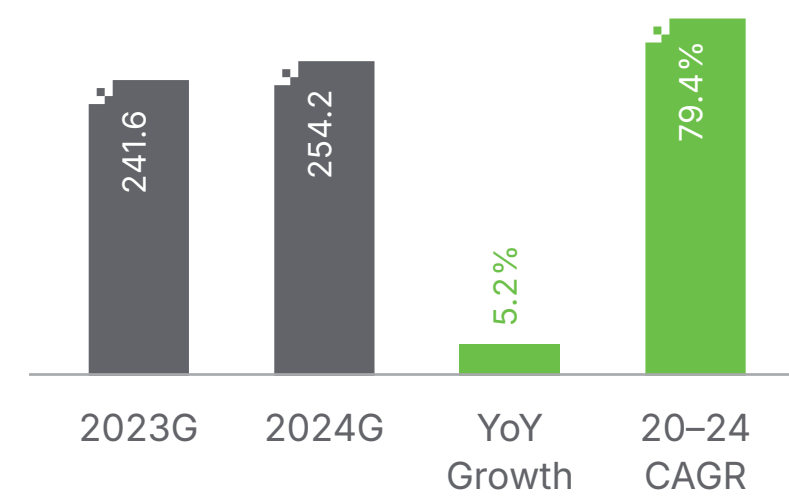
**10.1 %**  
Return on Assets FY 2024G

**22.3 %**  
Debt to Equity FY 2024G

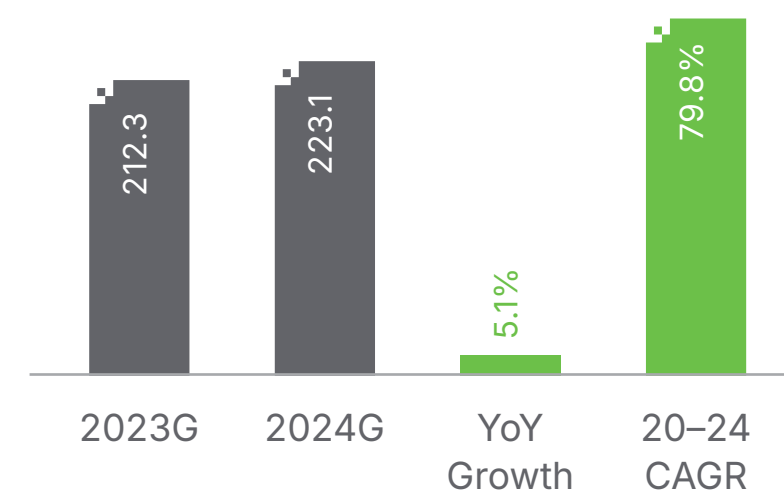
Revenues (SAR mn)



EBITDA (SAR mn)



Net Profit (SAR mn)



# CHAIRMAN'S STATEMENT



## Dear Shareholders,

2024 has been a transformative year for Tas'heel, defined by the milestone IPO of our parent company, United International Holding Company (UIHC); groundbreaking product innovations; and a steadfast commitment to operational excellence. As we reflect on the past year, Tas'heel has firmly established itself as a trailblazer in the fintech consumer finance space, contributing to Saudi Arabia's shift toward digital, Shariah-compliant financial solutions.

It is with heavy hearts that we remember our beloved CEO, Mr. Sakhr Abdulrahman Mohammed Al-Mulhem, who passed away on the 5<sup>th</sup> Jumada Al-Akhirah 1446 AH (6 December 2024). Mr. Sakhr was not only a visionary leader but also a cherished partner and a driving force behind Tas'heel's success, and his loss has left a profound void in our hearts and within the company. May God rest his soul and provide solace and comfort to his family and those who were fortunate enough to know him.

Our journey began with a simple yet ambitious goal: to make convenient, accessible, and ethical financing available to every individual across the Kingdom. From our initial launch as an exclusive service for United Electronics Company's (eXtra) customers, we have evolved into a market leader in Saudi Arabia's non-banking financial industry, renowned for innovation and customer centricity.

Our commitment to excellence has been acknowledged across the Kingdom, with Tas'heel recognized as the second-largest non-banking financial institution (NBFI) in consumer finance, achieving a 37.4% market share in installment loans and 65.7% in credit cards. This comes thanks to our recently developed digital-first platform that ensures seamless financing journeys from application to disbursement in as little as 24 hours.

With over 200,000 customers served and more than 300 strategic partnerships with leading brands, such as eXtra, IKEA, Virgin Megastores, and Saudi German Hospital, Tas'heel has become a household name across 28 cities. Our physical and digital distribution channels, together with our self-service machines and in-store financing options, reflect our commitment to providing accessible financing solutions that cater to every customer's unique needs.

Our agile approach to product development enables us to swiftly adapt to evolving customer needs, driving continuous innovation. One of our standout achievements is Baseeta—a groundbreaking buy-now-pay-later (BNPL) solution that seamlessly combines the benefits of traditional financing with the flexibility of revolving credit limits. Designed to bridge critical market gaps, Baseeta reinforces Tas'heel's position as a leader in Shariah-compliant, customer-centric financial solutions. Building on this success, we

are now developing a dedicated Baseeta app that will enhance user experience, offering seamless access, intuitive controls, and a suite of features tailored to modern financial needs. With this, we continue to redefine convenience and accessibility in the financial services landscape.

Looking ahead, our long-term strategy is grounded in continuing to redefine the standards of consumer finance. By leveraging technology, data-driven insights, and strategic partnerships, we will further enhance our reach, diversify our products, and strengthen our market position. Our commitment to innovation, customer service, and financial security will guide us toward sustainable growth and leadership in Saudi Arabia's growing fintech landscape.

It is with great pride and gratitude that I thank our dedicated team, valued partners, and loyal customers who have been instrumental in making Tas'heel what it is today. We remain steadfast in our mission to empower individuals and businesses alike with accessible, Shariah-compliant financial solutions. Together, we are shaping the future of consumer finance in Saudi Arabia.

Sincerely,  
**Fozan Al Fozan**  
 Chairman of the Board

# STRATEGIC REVIEW

 **+220** K  
Active Customers

 **2.48** SAR/BN  
Loans Portfolio as End of 2024



## About Us

# LEADING THE WAY

## Setting the standard in NBFi innovation

Grounded in innovation and driven by ambition, United Company for Financial Services (Tas'heel or the company), founded by regional powerhouse United Electronics Company (eXtra) under its subsidiary, United International Holding Company (UIHC), has firmly established itself as a leading NBFi in Saudi Arabia's Islamic consumer finance sector. As a pioneer in the Kingdom's burgeoning fintech landscape, Tas'heel stands at the forefront of this remarkable evolution.

What began as a service exclusive for eXtra customers took a transformative leap in 2019 when Tas'heel secured its license from the Saudi Central Bank (SAMA) to operate in the Kingdom. Today, we have cemented more than 300 partnerships, seamlessly integrating into both physical and digital ecosystems to deliver innovative, Shariah-compliant financing solutions across 28 cities in the Kingdom, setting new standards in consumer finance.

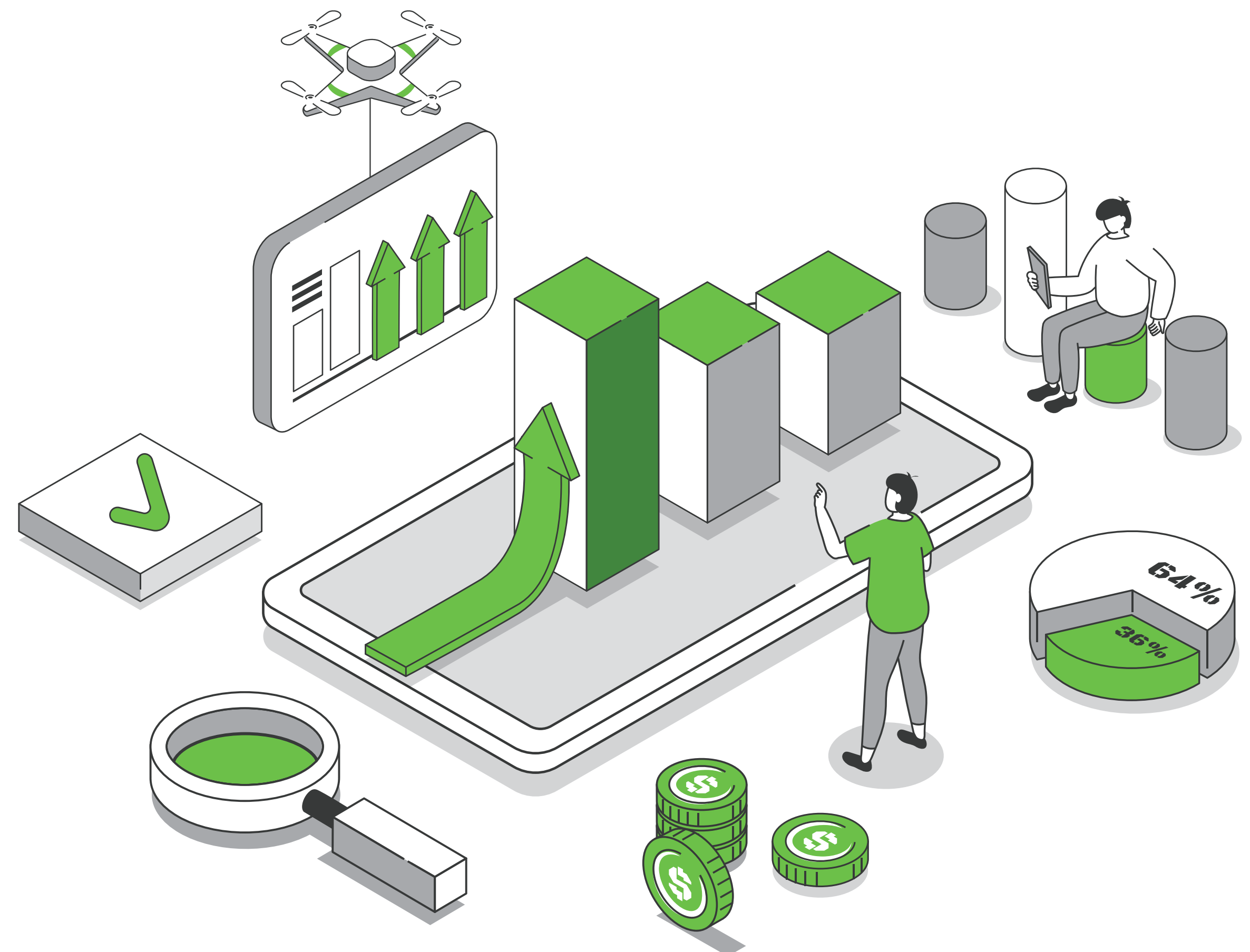
As the first company in Saudi Arabia to develop a digital end-to-end journey with the Kingdom's credit bureau for credit scoring and behavior, we have continued to push boundaries, transforming Tas'heel into the first NBFi to integrate end-to-end digital processes across our offerings. From applications to signing, approval, and the disbursement of funds within 24 hours, we have set new benchmarks in customer experience. Our commitment to excellence has not gone unnoticed, earning Tas'heel multiple awards and solidifying its position as the second-largest NBFi in consumer finance by market share.

**+220K**  
Active Customers

**+80%**  
Applications Made Online

**+90%**  
Applications Processed in <20 mins

**2.48 SAR/BN**  
Loans Portfolio Size



# Revolutionizing finance, one award at a time



### International Business Magazine Award

The Best Fintech Solutions Provider – 2023G



### Global Business Outlook

Best Digital Consumer Finance Platform – 2022G



### International Business Magazine

Most Innovative Fintech Company – 2022G



### International Business Magazine

Fastest Growing Islamic Finance Company – 2020G



### FINEXT

Excellence in Finance Companies – 2020G



### Global Brands Magazine

Most Innovative Financial Services Brand – 2020G



### International Finance Award

Best New Sharia-Compliant Finance Company in the KSA – 2019G



### Global Banking and Finance Award

The Best Sharia-Compliant Consumer Finance Company in KSA – 2019G



### International Business Magazine

Fastest Growing Islamic Finance Company – 2020G

## Financing Solutions

In just five years, our revenue has grown at a 2019–24 CAGR of 109%, culminating in a landmark IPO by Tas’heel’s parent company, UIHC, that marks a significant milestone in our journey. As we enter a new growth phase, we remain committed to providing customer-focused, Islamic financing solutions, including Baseeta, our innovative BNPL product, designed to deliver unparalleled convenience and benefits.

### Cash Loans

Tawarruq Financing Contracts



Launched 2019

SAR **10,000–250,000**

### Installment Loans

Murabaha Financing Contracts



Launched 2019

SAR **2,000–60,000**

### Credit Cards

Islamic Credit Cards



Launched 2022

up to SAR **100,000**

### Baseeta (BNPL)

Revolving Lifetime Credit limit



Launched 2023

SAR **100–60,000**



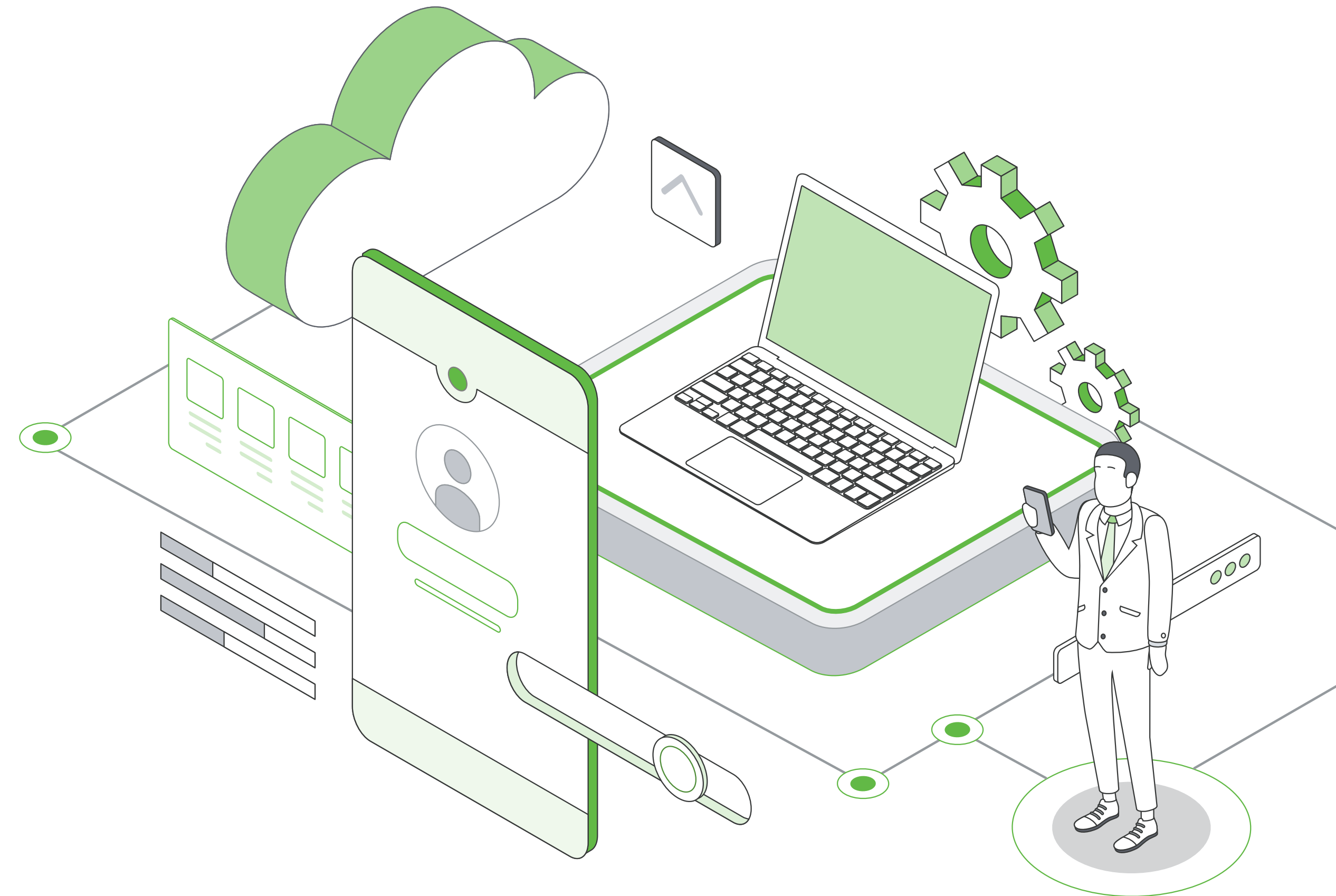
# UNMATCHED ACCESSIBILITY

We take pride in being pioneers in the Saudi market, with Tas'heel ideally positioned as the first NBF1 to offer a fully integrated digital process. With approximately 80% of all financing applications submitted entirely online, via our website or mobile app, we have established one of the fastest credit approval cycles in the industry. For those seeking a personal touch, self-service machines have been rolled out at over 310 locations, some of which are staffed to assist customers who prefer face-to-face interaction. Notably, our electronic channels maintain an impressive operating efficiency of nearly 97%.

## Our Expanding Distribution Network

We deliver unmatched accessibility, seamlessly connecting customers to our services across more than 78 branded outlets nationwide. This extensive presence is amplified by a dynamic network of over 300 strategic partners, including renowned names such as eXtra, IKEA, Virgin Megastores, BinDawood, and the Saudi German Hospital, spanning 310 locations across the Kingdom. Together, this expansive reach empowers us to cater to diverse customer needs with unparalleled convenience and efficiency, further solidifying our market presence and extending our impact.

By forging these strategic partnerships, we are uniquely positioned to deliver financing solutions tailored to specific customer segments, enriching the customer experience through personalized offerings. Moreover, we harness data-driven insights from their extensive database to enhance customer segmentation, refine risk management practices, and optimize debt collection strategies. These capabilities enable us to better understand and serve our diverse customer base while driving sustainable growth and operational excellence.



## Our Footprint



Our comprehensive online digital platform facilitates seamless access to our services nationwide.

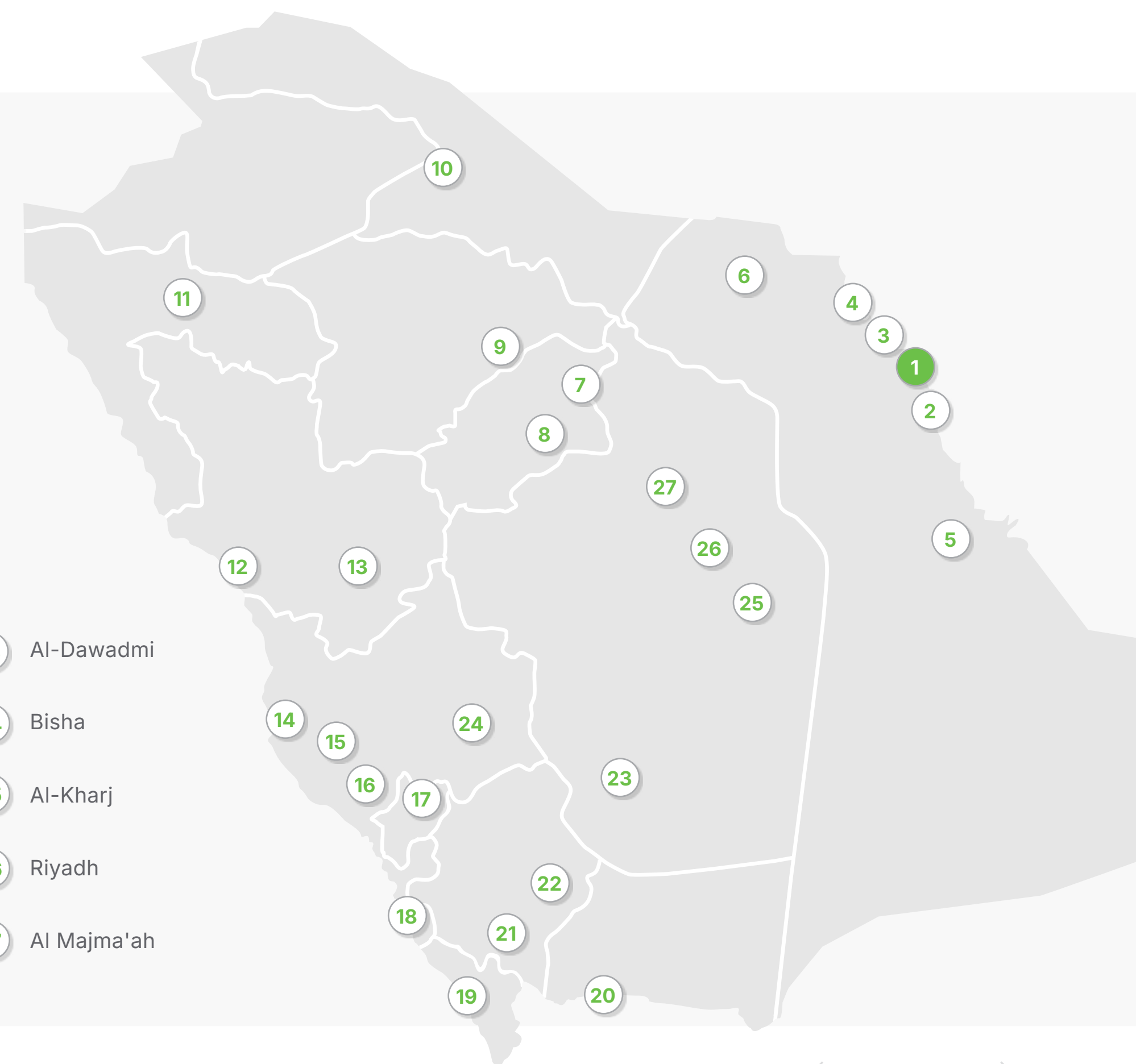


We also leverage eXtra's network of more than 70 customer service branches spanning 28 cities.

**Our reach is extended through a robust network of 400 strategic partners**



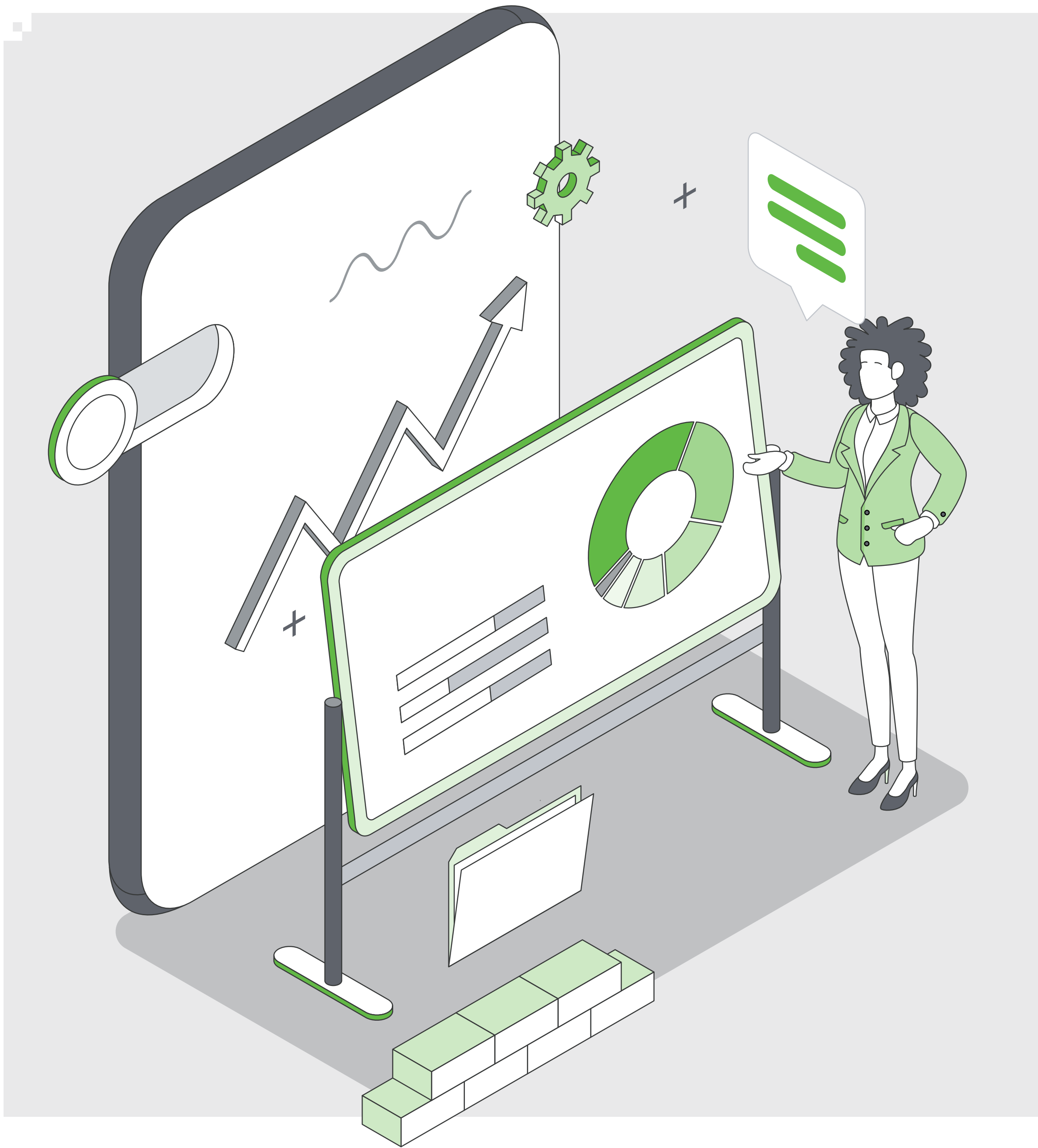
- |                  |                   |                |
|------------------|-------------------|----------------|
| 1 Headquarters   | 12 Yanbu          |                |
| 2 Khobar         | 13 Medina         |                |
| 3 Dammam         | 14 Jeddah         |                |
| 4 Jubail         | 15 Mecca          |                |
| 5 Al Ahsa        | 16 Taif           |                |
| 6 Hafar Al-Batin | 17 Al Baha        |                |
| 7 Buraidah       | 18 Al Qunfudhah   | 23 Al-Dawadmi  |
| 8 Unaizah        | 19 Jazan          | 24 Bisha       |
| 9 Hail           | 20 Najran         | 25 Al-Kharj    |
| 10 Sakaka        | 21 Abha           | 26 Riyadh      |
| 11 Tabuk         | 22 Khamis Mushait | 27 Al Majma'ah |



# 2024 FINANCIAL REVIEW

**624** SAR/MN  
FY24 Financing Revenues

**223** SAR/MN  
FY24 Net Income After Zakat



## Financial Review

# SUMMARY FINANCIAL STATEMENTS

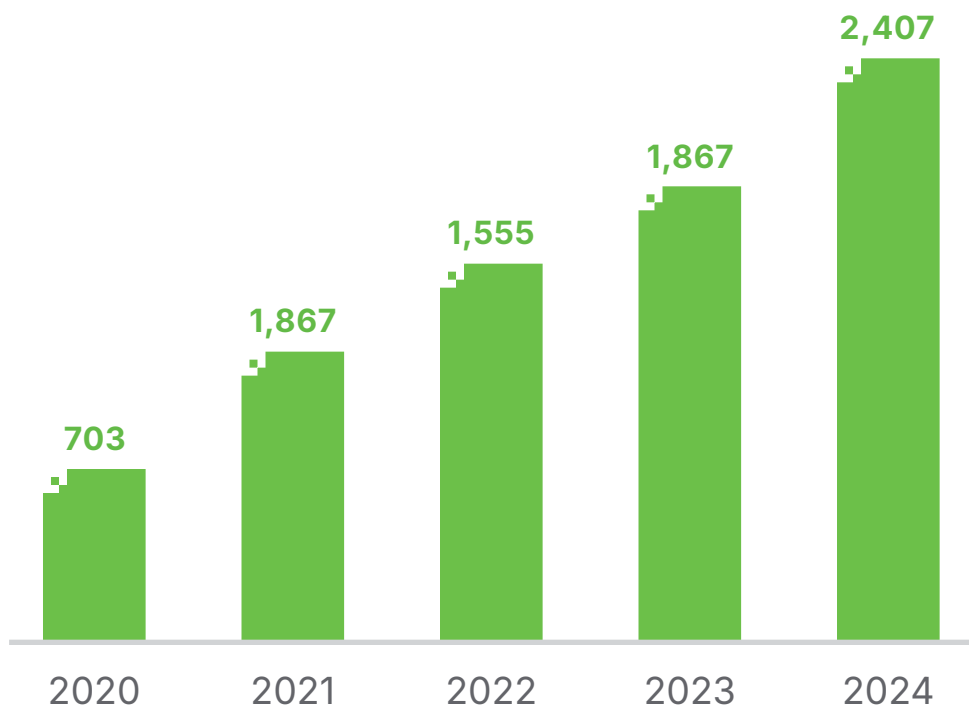
Summary Income Statement (SAR 000s)	2020	2021	2022	2023	2024
<b>Financing Revenue</b>	<b>130,632</b>	<b>300,895</b>	<b>416,957</b>	<b>523,854</b>	<b>623,673</b>
Finance Cost	5,382	11,217	27,779	63,243	79,889
<b>Net Financing Revenue</b>	<b>125,250</b>	<b>289,679</b>	<b>389,179</b>	<b>460,611</b>	<b>543,784</b>
Total Operating Expense	(98,838)	(147,740)	(178,175)	(225,631)	(294,701)
Net Income Before Zakat	26,678	143,083	215,135	236,777	248,723
<b>Net Income After Zakat</b>	<b>21,343</b>	<b>128,774</b>	<b>193,622</b>	<b>212,354</b>	<b>223,093</b>

Summary Financial Position (SAR 000s)	2020	2021	2022	2023	2024
<b>Net Financing Receivables</b>	<b>703,167</b>	<b>1,186,060</b>	<b>1,554,623</b>	<b>1,867,385</b>	<b>2,407,143</b>
Other Assets	78,103	71,525	58,038	58,723	77,878
<b>Total Assets</b>	<b>781,270</b>	<b>1,257,585</b>	<b>1,612,661</b>	<b>1,926,108</b>	<b>2,485,022</b>
Total Bank Borrowing	340,682	675,744	837,473	945,351	1,275,669
Other Liabilities	88,821	101,100	100,620	93,558	99,487
<b>Total Liabilities</b>	<b>429,503</b>	<b>776,843</b>	<b>938,094</b>	<b>1,038,910</b>	<b>1,375,156</b>
Equities	351,767	480,742	674,567	887,199	1,109,865
<b>Total Liabilities and Equities</b>	<b>781,270</b>	<b>1,257,585</b>	<b>1,612,661</b>	<b>1,926,108</b>	<b>2,485,022</b>

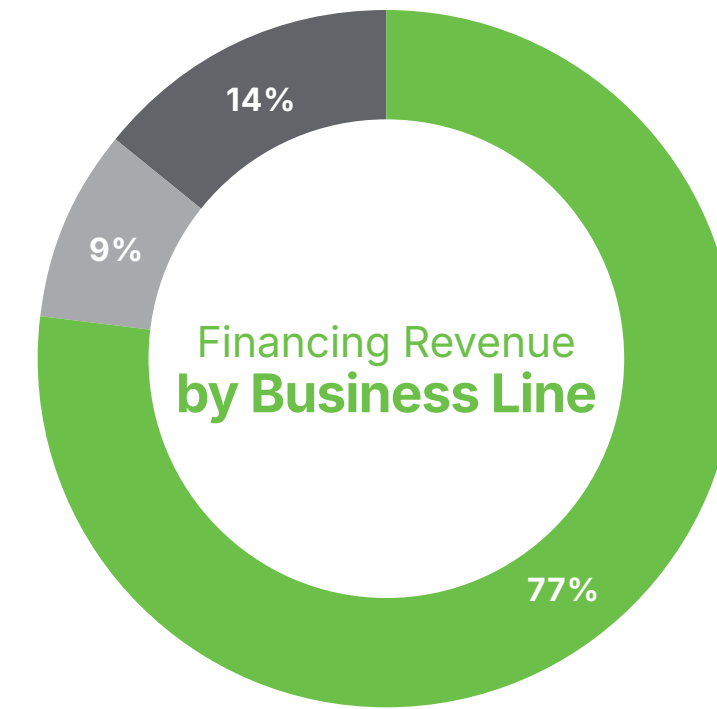
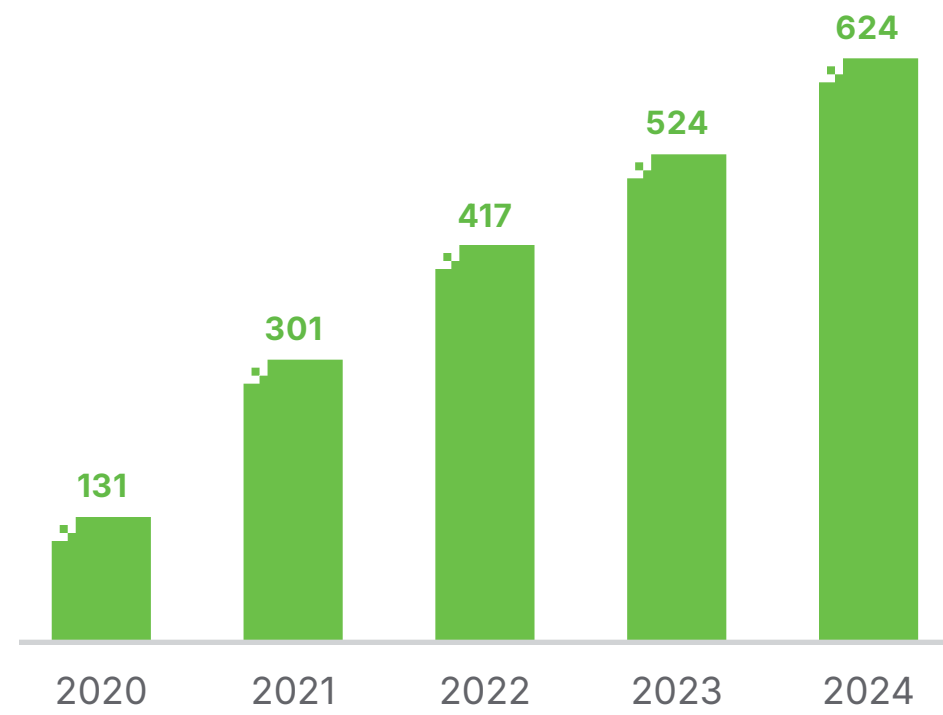
Zakat and Government Payments	2024 Amount (SAR 000s)	Description	Reasoning
Zakat	24,413	Zakat on Income	Annual Zakat Declaration
The General Organization for Social Insurance (GOSI)	5,947	Social Insurance	Social insurance payments due on Saudi and expertise employee
Tax Authority	364	Withholding Tax	For the consultancy and other services provided by nonresident firms



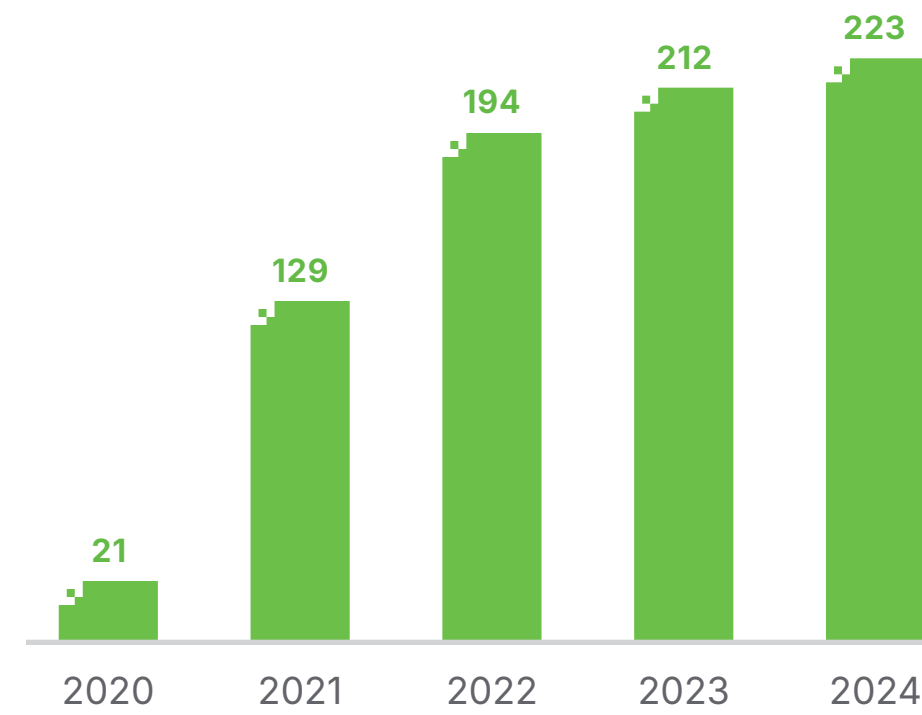
### Net Financing Receivables (SAR mn)



### Financing Revenues (SAR mn)



### Net Profit After Zakat (SAR mn)



### Key Indicators

**6.37 SAR**  
2024 Earnings Per Share (After Zakat)

**22.3 %**  
2024 Return on Av. Equity (After Zakat)

**10.1 %**  
Return on Av. Assets (after Zakat)

**36 %**  
FY20-24 CAGR

**29 %**  
FY23-24 YoY Growth

**48 %**  
FY20-24 CAGR

**19 %**  
FY23-24 YoY Growth

Tawarruq Financing Facilities	77%
Murabaha Financing Facilities	9%
Islamic Credit Cards	14%

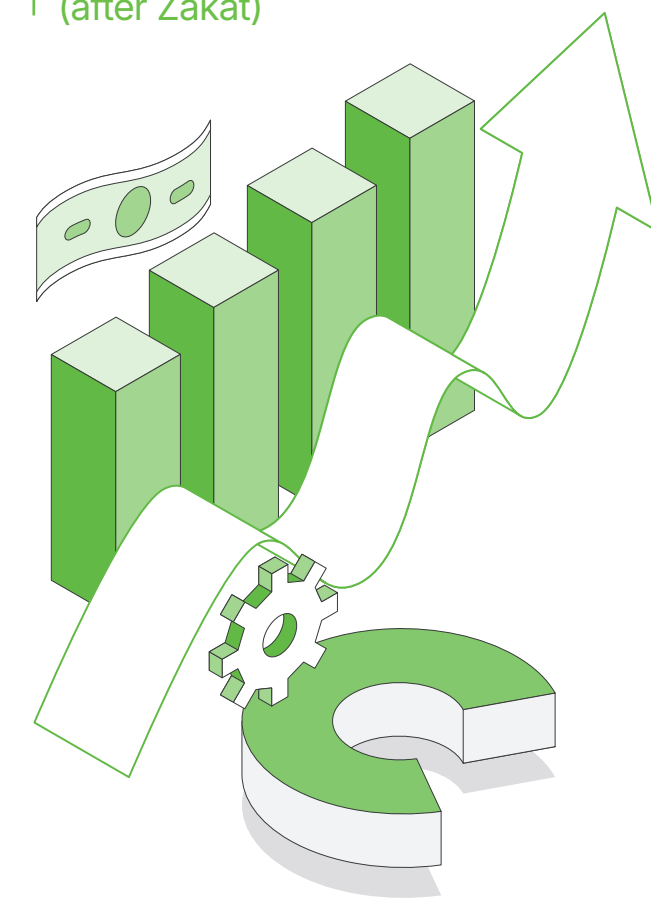
**80 %**  
FY20-24 CAGR

**5 %**  
FY23-24 YoY Growth

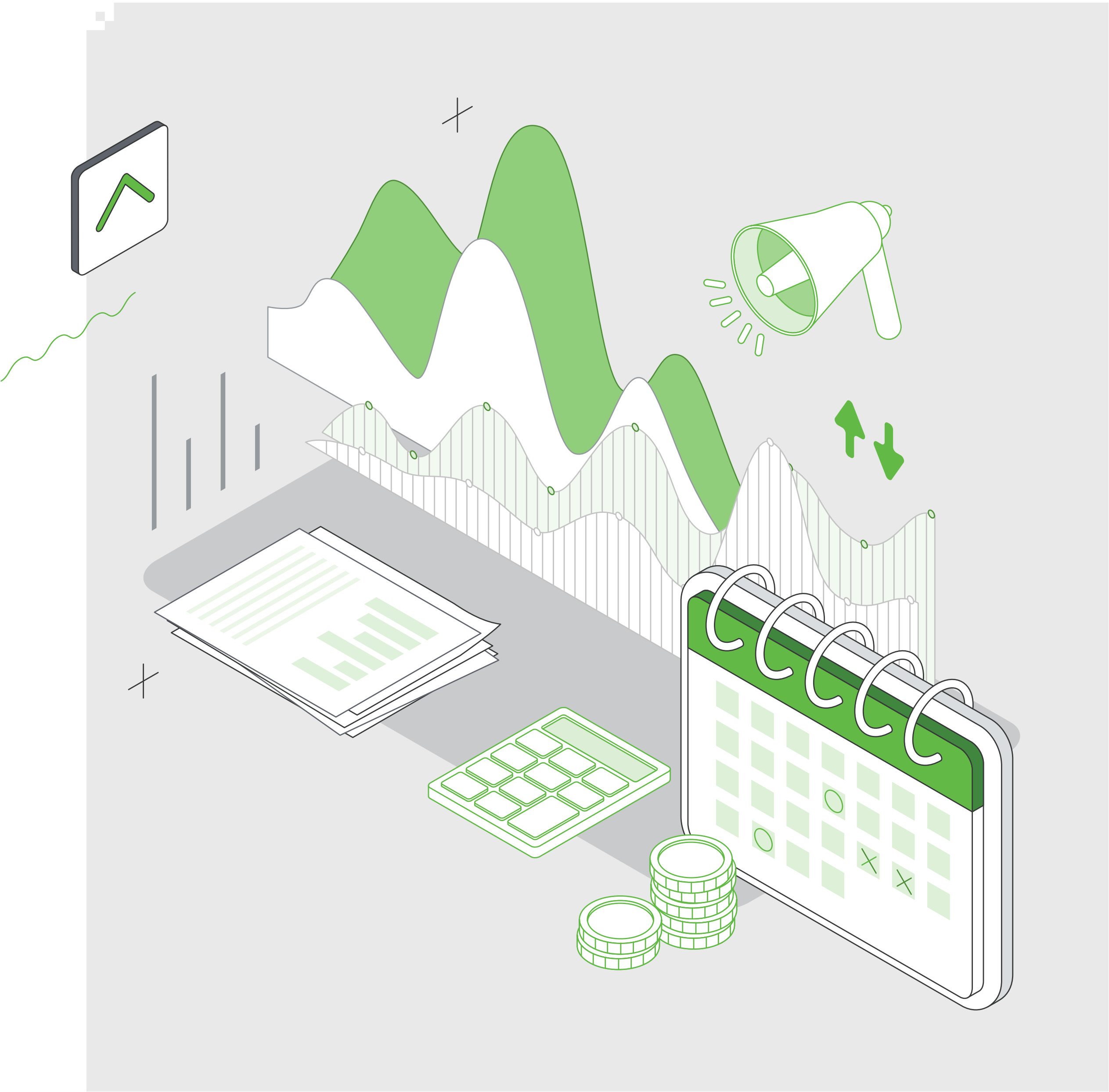
Tas'heel loan book increased by more than three times over the past four years from SAR 703 million in 2020 to SAR 2.4 billion in 2024, representing a CAGR of 36%. Strong demand for cash loans, a further increase in credit card volumes and the recent introduction of Baseeta were key drivers of growth in our loan book in 2024, which grew by 29% year-over-year. Robust access to bank financing and its low leverage provide strong capacity for a further increase in the loan book over the medium term.

Financing revenue came in at SAR 623.7 million in 2024, up 19% year-on-year and representing a robust four-year CAGR of 47%. Year-on-year growth was dual-driven by growing income from Tawarruq facilities and Islamic credit card facilities. Revenue from Tawarruq activities, which continued to contribute the lion's share of revenues in 2024 at 77%, grew by 26% year-on-year to come in at SAR 477.8 million. Additionally, the quick popularity and adoption of Baseeta, Tas'heel's latest BNPL solution, saw revenues from Islamic credit cards record exceptional growth between 2023 and 2024, with revenues up by more than 17-fold year-over-year to SAR 89.2 million. Management expects revenues from its new Baseeta offering to fully eclipse that of its Murabaha Financing Activities, which saw its revenues decline 60% year-over-year to record SAR 56.7 million.

Total operating expenses came in at SAR 295 million in 2024, up 31% year-over-year, and representing 47.3% of financing revenues, up by 4.2 percentage points over the same period. As a result, operating income recorded SAR 249.1 million, up 6% year-over-year and representing a four-year CAGR of 75%. Net Income after zakat recorded SAR 223.1 million in 2024, up 5% year-on-year and representing a 2020-24 CAGR of 80%. Bottom-line profitability came in at 35.8% in the same year, down 4.8 percentage-points year-on-year, in line with the increase in operating expenses over the period.



# CORPORATE GOVERNANCE



## Corporate Governance

# FY 2024 BOD REPORT

## 1. Corporate Governance

The United Company for Financial Services (Tas'heel) aspires to achieve the highest standards of governance, as the Company recognizes that a robust governance framework is a key pillar for the sustainability of the business. Tas'heel's approach to corporate governance is built upon a set of values and actions that support its daily operations and is designed to promote transparency and fairness, as well as protect the interests of the Company's stakeholders, including customers, shareholders, employees, and the community as a whole.

## 2. Board of Directors

The Board of Directors (BOD) of Tas'heel consists of six (6) members, as stipulated in article 14 of the Company's Articles of Association, approved on 2 November 2022. The Board is comprised of the following members:

### Fozan Mohammed Al Fozan (Non-Executive Chairman)

Fozan Al Fozan brings over 25 years of professional experience, and he is currently serving as Chairman of Tas'heel's Board and a member of its Nomination and Remuneration Committee. He holds a Bachelor of Science in Accounting from King Saud University.

He is also a Board member at a number of leading institutions, including Abdullatif and Mohammed Al Fozan, Al Fozan Holding, Madar for Construction Equipment, United Electronics Company (eXtra), Ajwad Holding, Al Yamama Steel, Blominvest, Athman Holding, Retail Urban Development Company, and United International Holding Company.

### Adel Abdel Mohsen Al Mangour (Independent Vice-Chairman)

Adel Al Mangour brings to the table a track record of more than 35 years in the financial services sector and currently serves as an independent Vice Chairman of Tas'heel's Board, as well as a member of both its Nominations and Remuneration Committee and Risk and Credit Management Committee. He is also a member of the Audit Committee at The Family Office Company. Mr. Al Mangour holds a bachelor's degree in Accounting from Portland State University and an MBA from Portland State University.

Previously, he served as Deputy CEO at The Family Office Company. He also served on the Board and Board Committees at a number of companies, most notable of which include Tawuniya, Gulf International Bank, SHL Finance Company, and SAMA. He also served as the Managing Director of Corporate Banking at Gulf International Bank and Head of Credit Department at Arab National Bank.

### Mohammed Galal Ali Fahmi (Executive Board Member)<sup>1</sup>

Mohammed Galal brings over 38 years of experience and currently serves as the Managing Director and CEO of the United Electronics Company (eXtra). He is also a Board Member at Tas'heel; the acting managing director of its parent company, United International Holding Company; and a member of the Company's Risk and Credit Management Committee, Nomination and Remuneration Committee, and Executive Committee. He holds a bachelor's degree in Accounting from Ain Shams University.

Mohamed Galal also holds Board positions at numerous companies, including United International Holding Company, Halwani Bros in Egypt, eXtra, and Procco Financial Services. In addition, he served on the Board and the Board Committees of various prominent institutions, such as AMS Baeshen & Co., National General Automotive Company, United Home Appliances Company (Nice), and Goknur in Turkey.

### Abdullatif Ali Al Fozan (Non-Executive Board Member)

Abdullatif Al Fozan currently serves as a Board Member at Tas'heel and Member of the Board's Executive Committee, and he brings to the table more than 12 years of experience. He holds a bachelor's degree in Economics from the University of Toronto.

As the current COO at Al Fozan Holding, Mr Al Fozan serves on various Boards and committees in multiple leading companies, including Al Fozan Holding, Ascend Advanced Healthcare Solutions Company, Alpha Financial Corporation, United Home Appliances Company (Nice), Ajdan Real Estate Development Company, Nesaj, Namaya Investment Company, and chairman to the board of Saudi Reinsurance Company. Additionally, he previously served on the Board of numerous prominent institutions, such as ARNON Plastic Industries, Bawan Holding, and PJSC. Abdullatif Al Fozan also previously served as a merger and acquisition consultant at Ernst and Young and headed the Institutions Department at the Saudi French Bank.

### Kubra Ghulam Rady (Non-Executive Board Member)

Kubra Rady has over 32 years of professional experience and is a Board Member, as well as the Chairman Member, of the Credit and Risk Management Committee at Tas'heel. She holds a bachelor's degree in Business Administration from the University of Bahrain; an MBA in Investment and Finance from the University of Hull, UK; and is a Certified Public Accountant from the United States.

<sup>1</sup> Mr. Mohamed Galal's position was changed to Acting Managing Director (executive) on 24 December 2024.

Kubra Rady also sits on the Board of, and is a Board Committee Member at, a number of companies, which include being a Board Member and a Member of the Audit Committee at Procco; Independent Board Member, Audit Committee Member, and Chairman of the Risk Committee at Saudi Reinsurance Company, and Board Member and Audit Committee Member at United International Holding Company. Additionally, she had previously served as Chief Risk Officer in First Energy Bank and Head of Credit at Al Salam Bank and JP Morgan Chase.

#### Saad Nasser Al Khalb (Independent Board Member)

Saad Al Khalb has over 32 years of experience and currently serves as a Board Member and Chairman of the Audit and Compliance Committee at Tas'heel. He is also a Board member at, and Managing Director of, Saudi EXIM Bank, as well as a Board and Committee Member at numerous other companies, such as Board Member, Nomination and Remuneration Committee Member, and Executive Committee Member at Saudi Exports Development Authority. Additionally, he is an Independent Board Member, Chairman of the Audit Committee, and Member of the Risk Committee at HSBC Saudi Arabia; Board Member at Sinad Holding; Chairman of the Audit Committee at Riyadh Airlines; Chairman of the Nomination Committee at EXSAB; and Chairman of the Board and the Executive Committee at The Arab Investment Company. He holds a bachelor's degree in Electrical Engineering from King Fahd University of Petroleum and Minerals.

Al Khalb had previously held prominent positions, including President of the Saudi Ports Authority; Deputy Minister of Transportation; CEO of Transactions at Saudi British Bank; Chairman of the Board at SAPTCO; Board, Executive Committee, and Investment Committee Member at the Customs Authority; Board Member and Audit Committee Member at Tabadul; and Board Member at Matarat Holding Company. He also served as Chief Operating Officer at HSBC Oman, Director of Operation and Technology at AMLAK International, Head of Alternate Delivery Channels Arab National Bank, as well as several positions across the Risk, Public Relations, and Information Technology Departments at Samba SAMBA Financial Group.

### Non-BOD Committee Members

#### Saeed Ali Almahoudi (Independent Chairman of the Nomination and Remuneration Committee)

With over 35 years of experience in financial and banking sector, Mr. Almahoudi is Chairman of the Nomination and Remuneration Committee at Tas'heel Finance, and Officially Licensed Financial Consultant at Riyas Advisory (Owner & CEO). Previous roles included the Area General Manager of Eastern Province at Saudi Awwal Bank (SAB), the Regional Manager for Corporate Banking - Eastern Province at Arab National Bank (ANB), the Assistant General Manager for Corporate Banking Group - Eastern Region at Samba Financial Group (SAMBA), the Country Consumer Finance Founder and Business Manager at SAMBA. He also assumed diverse responsibilities in corporate & retail banking at SAMBA as well as various financial accounting roles at Saudi European Petrochemical Company (SABIC Affiliate). Mr. Almahoudi holds a BSc in Finance & Management Information Systems from King Fahd University of Petroleum and Minerals.

#### Fuad Fareed Tawfiq (Independent Audit Committee Member)

Fuad Tawfiq has over 35 years of experience and is currently a member of Tas'heel's Audit and Compliance Committee and the Chairman of the Audit Committee at Tech Invest. He holds a bachelor's degree in Accounting from Ain Shams University.

Tawfiq had previously served as an Audit Committee Member at both Tabadul and Drug Dimensions Company, as well as the Chief Financial Officer at MASCO and at Almajal Alarabi Holding.

#### Ibrahim Abdullah AlJasser (Independent Audit Committee Member)

With over 29 years of experience, Ibrahim AlJasser is currently a Member of the Audit Committee at Tas'heel and Chief Financial Officer at the National Water Company. He is also the Chairman of the Audit Committee at Newleap, Chairman of the Audit and Risk Committee at Dammam Airports Company, Member of the Board and the Audit Committee at Ledar, Board Member and Chairman of the Audit Committee at Al Jeri Investment, Board Member at Jazadco, Audit and Compliance Committee Member at Naseej, and Audit Committee Member at Abdullatif Alissa Holding Group Company. AlJasser holds a bachelor's degree in Accounting from King Fahd University of Petroleum and Minerals, as well as other certificates in Accounting, Audit, and Tax, from the University of Alabama in the USA.

He previously held numerous Board and Committee positions across several institutions, the most prominent of which include Board Member and Chairman of the Audit Committee at Matarat holding, Audit Committee Member at Tabadul, Board Member at Inmia, Executive Committee Member at Osool Capital, and Board and Executive Committee Member at Ejar Cranes in the UAE. In addition, he held a number of prestigious positions that include Chief Financial Officer of Channels by STC and Abdulla Fouad Group, as well as Deputy Financial Auditor of Al Faisaliah Group and CEO of Corporate Finance and Financial Planning at SAMBA Financial Group. This is in addition to his past experience as an External Auditor at Deloitte.

#### Sultan Suleiman Altukhaim (Independent Risk and Credit Committee Member)

Sultan Altukhaim has more than 23 years of experience and currently holds the position of General Manager of Cybersecurity and Data Security at the Communications, Space, and Technology Commission, in addition to his position on the Risk and Credit Committee at Tas'heel. He is also a Committee Member at a number of other companies, including the Risk and Credit Committee at American Express KSA and the Risk Committee at Arab National Bank. Altukhaim holds a master's degree in Engineering Management from Florida Tech University, as well as a bachelor's degree and a master's degree in Information Technology from King Saudi University.

He previously held numerous positions that included Chief Information Security Officer at The Saudi Investment Bank, Information Security Officer at The Capital Market Authority, and Deputy Chief Information Security Officer at Excellent Solutions Company. He also served as Technical Business Analyst at Boeing Airlines in Seattle, Head of Information Technology at Florida Tech University, Information Security Planner at STC, and Information Systems Analyst at the Saudi Central Bank.

### 3. Senior Management of Tas'heel Finance



#### Noor AlKhabbaz

Noor AlKhabbaz brings to the table more than 16 years of comprehensive experience, enabling him to fulfill his role as Head of Finance at Tas'heel. He began his career as an Auditor at Ernest and Young, before then moving on to SAMBA Financial Group where he served across a number of positions. During his career, AlKhabbaz has gained valuable insights and experience in managing both individual and corporate banking services. After several years at SAMBA, AlKhabbaz transitioned to the oil and gas sector, where he served as a financial auditor at NOV. AlKhabbaz holds a bachelor's degree in Finance from King Saud University, as well as a master's degree in Accounting from Case Western Reserve University in the USA.



#### Mohammed AlDoseri

With more than 17 years of professional experience, Mohammed AlDoseri currently serves as Tas'heel's Chief Cybersecurity and Data Governance Officer. Prior to joining Tas'heel, AlDoseri served as the Chief Information Security Officer at Aljabr Financing Corporation. He has also previously held the role of Senior Information Security Specialist at Kuwait Finance House, as well as Client Relationship Manager at BATELCO. Mr. AlDoseri holds a bachelor's degree in Business Information Systems from the University of Bahrain.



#### Haitham Kabbarah

With a dynamic career spanning more than 28 years, Haitham Kabbarah heads Tas'heel's Internal Audit Function. His career includes various leadership positions such as Internal Audit Vice President of Retail Operations and Support at SNB, Internal Audit Assistant General Manager at SAMBA Financial Group, Head of Internal Audit at Alawwal Capital, and Internal Audit Manager at Alawwal Bank. He has also held the position of Real Estate Manager at National Creativity Investment Company. Mr. Kabbarah holds a bachelor's degree in Business Administration Studies from the Arab Open University.



#### Nawaf Al Dhubaib

Nawaf Al Dhubaib brings to the table over two decades of professional experience enabling him to fulfill his role as Tas'heel's Chief Human Resources Officer. Al Dhubaib previously held the position of General Human Resources Manager at the Ministry of Finance. Mr. Dhubaib's qualifications include a bachelor's degree in Information Technology from Colorado Technical University in the USA, and a master's degree in Human Resources Management from the University of Melbourne in Australia.



#### Mohammed Abduljabbar

Mohammed Abduljabbar oversees Tas'heel's Compliance and Anti-Money Laundering function, leveraging nearly two decades of professional experience. Mr. Abduljabbar has previously held the position of Compliance and AML Director at Abdul Latif Jameel Finance Company, as well as an Internal Audit Manager at Bank AlJazira and Senior Compliance Officer at Saudi National Bank. Additionally, he is currently a member of the Governance Committee

for Finance Companies and has served multiple terms as a permanent member of the Compliance and AML Committee for Finance Companies since its establishment. Mr. Abduljabbar holds a bachelor's degree in Accounting from Umm Al-Qura University. He also holds an advanced diploma in Compliance and Financial Crime from CCL Academy and is a Certified Compliance Officer from the Saudi Central bank.



#### Ayman Alebrahim

Ayman Alebrahim oversees risk management at Tas'heel and brings to the table a track record of 15 years of experience. His previous roles include External Auditor at Ernest and Young, as well as Section Head of Financial Control and Head of Credit Review at Al Barak Islamic Bank. Mr. Alebrahim holds numerous certifications and qualifications, including a bachelor's degree in Accounting from King Fahd University of Petroleum and Minerals and an advanced diploma in Islamic Finance from the Bahrain Institute of Banking and Finance. He is also certified as an Associate Professional Risk Manager from the Professional Risk Managers International Association and is a Certified Professional Islamic Accountant from the Accounting and Auditing Organization for Islamic Financial Institutions.



#### Faisal AlGannas

With over six years of professional experience, Faisal AlGannas is responsible for managing Tas'heel's customer care function. AlGannas first joined Tas'heel as an Operations Analyst before becoming Team Leader of Operations at the Company. Mr. AlGannas holds a bachelor's degree from the Fulton School of Engineering at Arizona State University.



#### Abdullah Abu Rasin

As the head of the IT department, Mr. Abu Rasin brings 14 years of experience in IT management and computer systems. Throughout his career, he has held key leadership positions, including serving as IT and Information Security Director at the Royal Commission for King Salman National Park. He holds a bachelor's degree in Information Technology, Networks, and Programming from King Abdulaziz University, along with several professional certifications in the field.



#### Alaa Alrashed

Ms. Alaa Alrashed brings 12 years of experience in the legal field. Previously, she served as Legal Department Manager at Ittihad Al-Muqawilun Company and as a Compliance Officer at Al-Ittihad Cooperative Insurance Company. She holds a bachelor's degree in Law from the University of Bahrain and a bachelor's degree in English Linguistics and Translation from the Saudi Electronic University.

#### 4. Companies Inside or Outside the Kingdom Where the Company's Board Member Serves or Has Served on the Board or as an Executive

Legal Structure	Location	Company Name
<b>Fozan Al Fozan</b>		
Abdullatif and Mohammed Al-Fozan Company	Inside Saudi Arabia	Private Joint-Stock Company
Al Fozan Holding	Inside Saudi Arabia	Private Joint-Stock Company
Bawan Holding	Inside Saudi Arabia	Public Joint-Stock Company
United Electronics Company (eXtra)	Inside Saudi Arabia	Public Joint-Stock Company
Ajwad Holding	Inside Saudi Arabia	Private Joint-Stock Company
Al Yamamah Steel	Inside Saudi Arabia	Private Joint-Stock Company
Blominvest	Inside Saudi Arabia	Private Joint-Stock Company
Athman Holding	Inside Saudi Arabia	Limited Liability Company
Madar	Inside Saudi Arabia	Limited Liability Company
Retal Urban Development Company	Inside Saudi Arabia	Public Joint-Stock Company
United International Holding Company	Inside Saudi Arabia	Public Joint-Stock Company
<b>Adel Al Mangour</b>		
The Family Office Company BSC	Outside Saudi Arabia	Closed Joint-Stock Company
<b>Mohamed Galal</b>		
United Electronics Company (eXtra)	Inside Saudi Arabia	Public Joint-Stock Company
Halwani Bros Company	Inside Saudi Arabia	Public Joint-Stock Company
Goncor Company	Outside Saudi Arabia	Private Joint-Stock Company
Procco Financial Services Company	Outside Saudi Arabia	Limited Liability Company
United International Holding Company	Inside Saudi Arabia	Public Joint-Stock Company
Alyasra	Outside Saudi Arabia	Limited Liability Company
Halwani Bros, Egypt	Outside Saudi Arabia	Public Joint-Stock Company
AMS Baeshen & Co	Inside Saudi Arabia	Limited Liability Company
National General Automotive Company	Inside Saudi Arabia	Limited Liability Company
Nice	Inside Saudi Arabia	Limited Liability Company
<b>Saad Al Khalb</b>		
Saudi EXIM Bank	Inside Saudi Arabia	Governmental Entity
HSBC Saudi Arabia	Inside Saudi Arabia	Public Joint-Stock Company
Sinad Holding	Inside Saudi Arabia	Public Joint-Stock Company
Riyadh Airlines	Inside Saudi Arabia	Closed Joint-Stock Company
Saudi Exports Development Authority	Inside Saudi Arabia	Governmental Entity
EXAB	Inside Saudi Arabia	Limited Liability Company
The Arab Investment Company	Inside Saudi Arabia	Arabic Joint-Stock Governmental Entity

Legal Structure	Location	Company Name
<b>Abdullatif Al Fozan</b>		
Al Fozan Holding	Inside Saudi Arabia	Private Joint-Stock Company
Ajdan Real Estate Development Company/ First Real Estate Development Company	Inside Saudi Arabia	Limited Sole Proprietorship
Alpha Financial Company	Inside Saudi Arabia	Private Joint-Stock Company
United Homeware Company (Nice)	Inside Saudi Arabia	Limited Liability Company
United Electronics Company (eXtra)	Inside Saudi Arabia	Public Joint-Stock Company
Ascend Solutions Company	Inside Saudi Arabia	Limited Sole Proprietorship
United Financial Services Company (Tas'heel Finance)	Inside Saudi Arabia	Public Joint-Stock Company
Nesaj Compound (Retail Residence)	Inside Saudi Arabia	Limited Liability Company
Namaya Investment Company	Inside Saudi Arabia	Limited Liability Company
Tadbeir Environmental Services Company	Inside Saudi Arabia	Limited Liability Company
Rashed Financial Company	Inside Saudi Arabia	Limited Liability Company
Saudi Reinsurance Company	Inside Saudi Arabia	Public Joint-Stock Company
Retal Urban Development Company	Inside Saudi Arabia	Private Joint-Stock Company
Medad Company	Inside Saudi Arabia	Limited Liability Company
United International Holding Company	Inside Saudi Arabia	Public Joint-Stock Company
Saudi Industrial Machinery Company	Inside Saudi Arabia	Limited Liability Company
Gulf Welfare Company	Inside Saudi Arabia	Limited Liability Company
The National Company for Glass Industries	Inside Saudi Arabia	Limited Liability Company
Arnon Plastic Industries Company	Inside Saudi Arabia	Limited Liability Company
Bawan Holding Company	Inside Saudi Arabia	Public Joint-Stock Company
Ernst & Young	Inside Saudi Arabia	Limited Liability Company
Banque Saudi Fransi	Inside Saudi Arabia	Public Joint-Stock Company
Roaya Nutrition Company	Inside Saudi Arabia	Limited Liability Company
<b>Kubra Rady</b>		
Saudi Reinsurance Company	Inside Saudi Arabia	Public Joint-Stock Company
Procco Financial Services	Outside Saudi Arabia	Limited Liability Company
United International Holding Company	Inside Saudi Arabia	Public Joint-Stock Company
Milestone	Outside Saudi Arabia	Sole Proprietorship
SAYACORP	Outside Saudi Arabia	Closed Joint-Stock Company
Al Salam bank	Outside Saudi Arabia	Joint-Stock Company
JP Morgan Chase	Outside Saudi Arabia	Branch of a Foreign Company

## 5. BOD Responsibilities

### Governance

The Board of Directors' Governance Model establishes the framework that governs how the Board is structured, manages its activities, and makes decisions. The framework includes the procedures, rules, and regulations that assist the Board in understanding its specific responsibilities according to the roles of its members, as well as the committees they serve on, in addition to providing guidance on how best to work in partnership with the Company's management.

### Strategic Direction

The Board of Directors assists in setting the Company's growth strategy, as Board Members with strong strategic experience across a wide range of sectors can help in analyzing opportunities and identifying potential threats. Strategic planning should be an ongoing Board responsibility and include both short- and long-term goals.

### Accountability

The Board of Directors is legally responsible for providing oversight and accountability. Accordingly, the Board must ensure that all legal and ethical standards are followed, and that the Company manages its assets and resources in an appropriate manner.

The Board carries out its duties as set forth in the Company's Articles of Association and its Governance Regulations. The primary duties of the Board include, but are not limited to:

- Setting the Company's internal corporate values for the Board, senior management, and employees, and adhering to them. All related actions are expected to comply with the relevant legal and ethical standards.
- Setting an overall company culture that enhances risk awareness, emphasizing the Board of Directors' position against excessive risk-taking, as well as the importance of collective responsibility in working within the agreed acceptable risk limits.
- Ensuring that the appropriate steps are taken to disseminate corporate values, professional standards, and codes of conduct across the Company, in addition to setting supporting policies.
- Ensuring that employees, including Senior Management, are aware that the appropriate disciplinary procedures, or other actions will be taken in the event of inappropriate actions and unacceptable violations.
- The Board of Directors is primarily responsible for providing effective governance with regards to the Company's affairs, for the benefit of its shareholders, as well as achieving a balance between the interests of its customers, employees, suppliers, and the local community as a whole.

- The Board effectively supervises the Company's operations, which includes approving the Company's new strategic objectives and supervising their implementation, as well as approving the risk strategy, corporate governance rules, and professional conduct principles. The Board of Directors must also keep up with fundamental changes in the industry and the external environment and act in a timely manner to safeguard the Company's long-term interests.

As such, the Board of Directors is required to:

- Set and follow up on the Company's goals and business strategy
- Solidify the Company's culture and its value
- Supervise the implementation of an appropriate governance framework
- Setting the Company's risk appetite in coordination with Senior Management and the Chief Risk Officer while taking into consideration the competitive and regulatory landscape, long-term interests, the acceptable risk exposure ratio, and the ability to manage risks effectively

**The Board of Directors is comprised of six members, as follows:**

#	Name	Position	Category
1	Fozan Al Fozan	Chairman of the Board	Non-Executive
2	Adel Al Mangour	Vice-Chairman of the Board	Independent
3	Mohamed Galal	Board Member	Executive <sup>2</sup>
4	Abdullatif Al Fozan	Board Member	Non-Executive
5	Kubra Rady	Board Member	Non-Executive
6	Saad Al Khalb	Board Member	Independent

<sup>2</sup> Mohamed Galal's position was changed to Acting Managing Director (executive) on 24 December 2024.

## 6. Board Committees

In accordance with the Company's Articles of Association and governance regulations, a suitable number of Board Committees are established in line with the Company's needs, condition, and activities. The formation of the committees should assist the Board in effectively performing its responsibilities, in accordance with the general procedures set by the Board. The regulations include setting the role of each committee, its term, jurisdiction, and Board oversight. Each committee submits its report to the Board, which oversees the operations of the committees on a regular basis to ensure that they are fulfilling their mandated roles. Additionally, the Board sets the work agenda for all committees, and General Assembly approval is required for the work agendas of both the Audit Committee and the Nomination and Remuneration Committee.

The following committees have been established:

1. Executive Committee
2. Risk and Credit Committee
3. Audit and Compliance Committee
4. Shariah Committee
5. Nomination and Remuneration Committee

Below is a description of the duties and responsibilities of each committee, as well as the meetings held during 2024:

### 1. Executive Committee<sup>3</sup>:

The Executive Committee is tasked with monitoring the implementation of the Company's strategy, ensuring the achievement of its operational objectives, in addition to cooperating with the other committees established by the Board of Directors.

The Executive Committee is comprised of three members. During 2024, the committee convened five times as follows:

Name	Meetings Held in FY2024					Total
	First Meeting 13-02-2024	Second Meeting 18-03-2024	Third Meeting 03-06-2024	Fourth Meeting 18-09-2024	Fifth Meeting 25-11-2024	
Mohamed Galal (Chairman)	Attended	Attended	Attended	Attended	Attended	5
Abdullatif Al Fozan (Member)	Attended	Attended	Attended	Attended	Attended	5
Sakhr Al-Mulhem (Member)	Attended	Attended	Attended	Attended	Did not attend	4

<sup>3</sup> The committee's term ended on 6 December 2024 due to failure to meet quorum following the passing of Sakhr Al-Mulhem.

<sup>4</sup> The committee received the Central Bank's non-objection on 1 August 2024.

### 2. Risk and Credit Committee<sup>4</sup>:

The Risk and Credit Management Committee assists the Board in overseeing the Company's risk management processes. The committee carries out relevant tasks assigned to it by the Board and is responsible for providing advice regarding the Company's current and future risk appetite levels. The committee oversees the Company's capital and liquidity management strategies, and is ultimately responsible for managing all categories of potential risk pertaining to the Company, be they Credit, Market, Operational, Compliance, or Reputational risks, ensuring that the Company's risk appetite is in line with the degree of risk deemed accepted by the Board of Directors.

The Risk and Credit Management Committee is comprised of four members. During 2024, the committee convened five times as follows:

Name	Meetings Held in FY2024		Total
	First Meeting 26-09-2024	Second Meeting 02-12-2024	
Kubra Rady (Chairman)	Attended	Attended	2
Mohamed Galal (Member)	Attended	Attended	2
Adel Al Mangour (Member)	Attended	Attended	2
Sultan Altukhaim (Member)	Attended	Attended	2

### 3. Audit and Compliance Committee

The Company's Executive Management is responsible for ensuring the effectiveness of the internal control system, as well as compliance with all policies, procedures, and processes set by Executive Management. This is done under the supervision of the Company's Board of Directors to ensure the realization of its strategic objectives and the protection of its assets. The Audit and Compliance Committee assists the Board of Directors in performing its duties and fulfilling its responsibilities. On that front, the committee is responsible for ensuring the effectiveness and efficiency of the internal control system, as well as providing the Board with recommendations related to operating and developing the internal control system. The committee is also tasked with studying the Company's initial and annual financial statements before presenting them to the Board of Directors, expressing an opinion, and making recommendations to ensure that they are accurate, complete, and fairly presented in accordance with generally accepted accounting principles. The committee is formed of independent members as per the rules and regulations of the Saudi Central Bank (SAMA). Its primary role is supervising and collaborating with the Company's internal and external auditors to ensure that all internal control policies are fully implemented, as well as reviewing all regulatory reports, ensuring the Company's compliance and that all necessary actions are taken. In addition, the committee reviews and approves the Company's code of conduct, as well as other compliance related policies and procedures.

The Audit and Compliance Committee is comprised of three members. During 2024, the committee convened six times as follows:

Meetings Held in FY2024							
Name	First Meeting 07-02-2024	Second Meeting 30-04-2024	Third Meeting 16-07-2024	Fourth Meeting 24-07-2024	Fifth Meeting 23-10-2024	Sixth Meeting 31-10-2024	Total
Saad Al Khalb (Chairman)	Attended	Attended	Attended	Attended	Attended	Attended	6
Fouad Tawfiq (Member)	Attended	Attended	Attended	Attended	Attended	Attended	6
Ibrahim AlJasser (Member)	Attended	Attended	Attended	Attended	Attended	Attended	6

#### 4. Shariah Committee

The Shariah Committee is an independent committee appointed by the Board of Directors.

The Shariah Committee is responsible for ensuring that all products, services, policies, and agreements extended by the Company conform to the rules and principles of Shariah Guidelines and Standards. The committee must verify all relevant policies and agreements in coordination with Executive Management before the launch of any new product or service, subject to the approval of the Board of Directors.

The Shariah committee is also tasked with providing guidance and conducting annual Shariah audits to ensure that the Company complies with the Shariah Guidelines and Standards.

The Shariah Committee is comprised of two members. During 2024, the committee convened four times as follows:

Meetings Held in FY2024					
Name	First Meeting 31-03-2024	Second Meeting 30-06-2024	Third Meeting 30-09-2024	Fourth Meeting 31-12-2024	Total
Sheikh Salah Al Shalhoob (Chairman)	Attended	Attended	Attended	Attended	4
Sheikh Muhammad Sultan (Member)	Attended	Attended	Attended	Attended	4

Shariah Committee Responsibilities:

- Convene at least twice per year.
- Issue Shariah decisions pertaining to inquiries raised by the Company's management.

- Review policies and procedures related to all products and ensure that they are aligned with Shariah guidelines. As well as reviewing the decision-making policy of the Shariah Committee.
- Review and certify product(s) after considering the applicable Shariah standards. The Shariah Committee will also review transactional documents, such as terms and conditions, applications, contracts, agreements, and legal documents related to each product, and deliver a statement or certification, that includes one or more fatwah, regarding compliance with Shariah principles.
- Inform the Board of Directors of major activities that do not comply with the Shariah criteria and recommend appropriate measures to remedy the situation.
- Confirm with the Company's management that the Zakat calculation methodology complies with GAZT requirements.
- Monitor the compliance of the Company's activities with Shariah guidelines through Internal Shariah Control and/or Internal Shariah Audit,
- Conduct a Shariah supervisory assessment (by way of sampling) on selected activities on an annual basis.
- Submit an annual Shariah report to the Board of Directors after conducting the Shariah Supervisory assessment.

Below is the profile of each member of the Shariah Committee:

##### Dr. Salah Fahad Al Shalhoob

Shaikh Salah is a Shariah scholar who obtained his master's degree from Al-Imam University in KSA and his Ph.D. from the University of Edinburgh in the UK. He has led a number of projects in the US, Europe, and the GCC, focusing on banking and investment products, real-estate acquisitions, Islamic insurance management, listed securities, and private equity funds. His product-based experience includes sukuk, mortgages, leasing, SME financing, and asset management transactions. He is an Assistant Professor at the Islamic and Arabic Studies College of Applied Studies at King Fahd University of Petroleum and Minerals, and he has published a number of research papers.

##### Sheikh Muhammad Ahmed

Sheikh Muhammad has over a decade of experience in Shariah consulting and academics spanning various Islamic finance aspects. His work predominantly pertains to financial services, as well as retail and investment banking. He is also highly experienced when it comes to corporate advisory and real-estate funds. Sheikh Muhammad works extensively with leading global and domestic financial institutions across the GCC. His work mainly focuses on redesigning traditional Sukuk structures for funds operating in the banking, insurance, and private equity sectors. He holds a bachelor's degree in Islamic sciences from Dar-Al-Uloom University and a master's degree in Fiqh and Usool Al Fiqh from Ahsan Al Uloom University.

## 5. Nomination and Remuneration Committee

The committee oversees the process of identifying and proposing Board of Directors and Executive Management membership candidates. The committee is also responsible for preparing a clear remuneration policy for Board and Executive Management members, in accordance with the relevant Central Bank instructions.

Nomination and Remuneration Committee Responsibilities:

1. Examine and evaluate member performance, nominate new members, and discuss the remuneration and incentive policy.
2. Coordinate with the Human Resources Department to develop a suitable succession policy and ensure compliance of Executive Management.
3. Establish a list of the qualifications and skills of current Board members for the purpose of identifying the additional skills required to enhance the role of the Board and ensure the performance of its role.
4. Ensure that the remuneration policy is in line with the prevailing market rates, and that the control systems in place are sufficient for achieving shareholder interests and long-term strategic goals of the Company. The committee is also responsible for ensuring that the Company's incentive system is reviewed periodically and that it does not encourage participation in high-risk operations to achieve short-term profits, and that it is in compliance with the Company's risk policy approved by the Board of Directors.

The Nomination and Remuneration Committee is comprised of two members. During 2024, the committee convened twice as follows:

Name	Meetings Held in FY2024		
	First Meeting 01-05-2024	Second Meeting 16-12-2024	Total
Saeed Almahoudi (Chairman)	Attended	Attended	2
Mohamed Galal (Member)	Attended	Attended	2
Adel Al Mangour (Member)	Attended	Attended	2
Fozan Al Fozan (Member)	Attended	Attended	2

## 7. Dividend Policy

In accordance with article 26 of the Executive Regulations of the Financing Companies Control Law, the Company distributes annual dividends as per the following:

- Ten percent (10%) of the net profit is set aside as part of the Company's statutory reserve. The General Assembly may elect to suspend this retention in the event that the statutory reserve reaches thirty (30%) of the Company's paid-in capital.
- In keeping with the recommendation of the Board of Directors, the General Assembly allocates an amount that does not exceed twenty percent (20%) of net profits to an additional reserve, the uses and specific purposes of which are determined by the General Assembly.

- The General Assembly may elect to create additional reserves if it deems this necessary to serve the interests of the Company or to ensure that fixed dividends are distributed to shareholders to the greatest possible extent. The General Assembly may also deduct amounts from the Company's net profit to establish social funds for company employees or to assist those dependent on such funds.
- The remaining net profit amount, which represents five percent (5%) of the Company's paid-in capital, is distributed to shareholders.
- In accordance with Articles 18 and 26 of the Companies Law, five percent (5%) of the remaining profits are allocated to the remuneration of the Board of Directors, provided that such remuneration is proportional to the number of Board sessions attended by a given Member.

Distribution of profits is subject to the restrictions stated in the Executive Regulations of the Financing Companies Control Law, which stipulate that a letter must be obtained from the Saudi Central Bank regarding its non-objection prior to the distribution of any profits, any other form of distribution, or announcement of such distribution.

## 8. Remuneration and Compensation

### BOD Remuneration and Compensation

The Company's remuneration policy should comply with the provisions of the Companies Law and its Executive Regulations. The goal of the policy is to reward members of the Board, Board Committees, and the Executive Management team in a fair and unbiased manner that aligns with the Company's strategic objectives.

### Board of Directors:

Name	Attendance Compensation	Annual Remuneration	Total Compensation	Number of Meetings
1 Mr. Fozan Al Fozan	12,000	200,000	212,000	4
2 Mr. Adel Al Mangour	12,000	200,000	212,000	4
3 Mr. Mohamed Galal	12,000	200,000	212,000	4
4 Mrs. Kubra Rady	12,000	200,000	212,000	4
5 Mr. Abdullatif Al Fozan	12,000	200,000	212,000	4
6 Mr. Saad Al Khalb	12,000	200,000	212,000	4
<b>Grand Total</b>			<b>1,272,000</b>	

### Board Committee Members:

Name	Annual Remuneration	Attendance Compensation	Other Compensation*	Total Compensation	Number of Meetings
1 Mr. Fozan Al Fozan	70,000	6,000	-	76,000	1
2 Mr. Adel Al Mangour	100,000	12,000	6,000	118,000	2
3 Mr. Mohamed Galal	100,000	27,000	6,000	133,000	3
4 Mrs. Kubra Rady	70,000	6,000	6,000	82,000	1
5 Mr. Abdullatif Al Fozan	70,000	15,000	-	85,000	1
6 Mr. Saad Al Khalb	70,000	18,000	No	88,000	1
7 Mr. Saeed Almahoudi	100,000	6,000	No	106,000	1
8 Mr. Sakhr Al-Mulhem	70,000	12,000	No	82,000	1
9 Mr. Fouad Tawfiq	100,000	18,000	No	118,000	1
10 Mr Ibrahim AlJasser	100,000	18,000	No	118,000	1
11 Mr. Sultan Altukhaim	50,000	6,000	No	56,000	1
<b>Grand Total</b>				<b>1,062,000</b>	

\* Refers to compensation provided for additional responsibilities undertaken by a Board Member.

## 9. Board Meeting Attendance

During FY2024, the BOD held four meetings. Meeting attendance was as follows:

Meetings Held in FY2024					
Name	First Meeting 21-01-2024	Second Meeting 25-04-2024	Third Meeting 07-08-2024	Fourth Meeting 15-12-2024	Total
Mr. Fozan Al Fozan (Chairman)	Attended	Attended	Attended	Attended	4
Mr. Adel Al Mangour (Vice-Chairman)	Attended	Attended	Attended	Attended	4
Mr. Mohamed Galal (Member)	Attended	Attended	Attended	Attended	4
Mrs. Kubra Rady (Member)	Attended	Attended	Attended	Attended	4
Mr. Saad Al Khalb (Member)	Attended	Attended	Attended	Attended	4
Mr. Abdullatif Al Fozan (Member)	Attended	Attended	Attended	Attended	4

## 10. Remuneration of Executive Management:

The compensation of the Executive Management team during FY2024, including the Chief Executive Officer and the Chief Financial Officer, stood at SAR 5,511,095.

## 11. Penalties

The Company conducts its business activities in accordance with the applicable laws, regulations, and directives of the Kingdom of Saudi Arabia. All penalties imposed on Tas'heel by the Saudi Central bank are shown below:

Violation	2023		2024	
	Number of Enforced Decision	Total Fines (SAR)	Number of Enforced Decision	Total Fines (SAR)
Violation of SAMA's Supervisory and regulatory instructions	3	305,000	1	50,000
Violation of SAMA's Customer Protection Instructions	-	-	-	-
Violation of SAMA's Due Diligence Instructions with Regards to Combating Money Laundering and Terrorism Financing	-	-	-	-
<b>Grand Total</b>	<b>3</b>	<b>305,000</b>	<b>1</b>	<b>50,000</b>

## 12. Corporate Social Responsibility

Corporate social responsibility (CSR) forms an important part of Tas'heel's business strategy, as the Company seeks to support the communities in which it operates, both financially and in kind. Accordingly, community outreach lies at the core of Tas'heel's corporate culture. This year, the Company adopted a social responsibility policy, focusing on community engagement, environmental sustainability, and ethical business practices. Tas'heel has not made any financial donations during the reporting period.

## 13. Internal Control

Based on its review of the periodic reports presented by the Internal Audit Department, the Compliance Department, and the Company's external auditors, the Audit Committee found no significant gaps in the Company's internal control system. However, it should be noted that any internal control system, regardless of the soundness of its design and implementation, cannot provide any absolute confirmations.

The Audit Committee is also responsible for approving the scope of work the Company's internal auditor, as well as ensuring that the Company's Executive Management takes the prompt corrective measures necessary to address any control deficiencies or non-compliance with policies, laws, regulations, or any other infringements identified by the auditors or other control functions. Additionally, the Audit Committee actively monitors the adequacy and effectiveness of the Company's internal control system to ensure that identified risks are mitigated.

The Board of Directors has full access to the Audit Committee's reports, including the annual internal audit report. The reports are reviewed regularly to provide an ongoing assessment of the effectiveness of the Company's internal control system, facilitate the identification of any potential deficiency in its practical application, and address any defect that may arise following any change in the company's operating environment.

## 14. General Assembly Meetings

During FY2024, the General Assembly of Shareholders convened as follows:

The Ordinary General Assembly convened twice in 2024, on 18 January 2024 and on 30 May 2024.

Meetings Held in FY2024			
Name	First Meeting 18-01-2024	Second Meeting 30-05-2024	Total
Mr. Fozan Al Fozan (Chairman)	Attended	Attended	2
Representative of the Primary Shareholder of United International Holding Company	Attended	Attended	2

## 15. Risk Management

### Introduction:

As part of its efforts in achieving its strategic objectives, Tas'heel is exposed to a variety of risks associated with the Company's business activities. Those risks can be split into financial risk, reputational risks, and operational risks, which could ultimately lead to losses that threaten the continuity of the Company.

Accordingly, risk management plays an important role in the Company's day-to-day operations and assumes a number of major responsibilities including:

Redirecting the Company's focus toward safeguarding the interests of its stakeholders.

- Safeguarding the Company's assets and reputation
- Enhancing the Company's operational performance

Tas'heel's risk management framework outlines the mechanism by which the Company manages its risks, serving as the main reference for all risk policies and procedures.

The CEO and Senior Management are responsible for establishing a corporate environment that facilitates the effective implementation of risk management.

The Company's corporate environment forms the basis for risk management, as it sets the overall corporate culture. Level of discipline, operational structure, the setting of strategies and objectives, activity planning and implementation, and risk identification, assessment, and management.

### Risk Governance:

Risk governance at Tas'heel begins with the Company's Board Risk and Credit Management Committee, as outlined in the previous section. The role and responsibilities of the committee are detailed in the committee's charter.

The Risk Management Department is set up as an independent, non-executive function, with the Head of Risk Management reporting directly to the Risk and Credit Management Committee, as well as indirectly to the CEO. The roles and responsibilities of the department are detailed in Tas'heel's risk management framework.

### Risk Appetite:

Risk appetite is defined as the overall risk level that the Company is willing and able to take in pursuit of its business objectives. As such, risk appetite represents a key tool for the Company as it allows for identifying and forming consensus regarding the strategic level risks that the Company is facing.

## Risk Strategy:

The following four types of strategies will be considered by Tas'heel's Risk Management Department.

### a. Risk Acceptance:

This strategy is used in events where the level of both likelihood and Impact are (low, low) and involves accepting the risk without imposing any control.

### b. Risk Transfer:

This strategy is used in events where the level of likelihood is (low or high) and is utilized to reduce the high level of impact by transferring the risk to a third party using a letter of guarantee for credit risks, insurance contracts for operational risks, etc.

### c. Risk Reduction:

This strategy is used in events where the level of likelihood and Impact are (high or low) and involves reducing the high likelihood by imposing controls such as dual controls for cash transactions.

### d. Risk Avoidance:

This strategy must be used in the event that the levels of both likelihood and impact are (high, high) and must be exercised when the level risk cannot be accepted by Tas'heel, if it can't be transferred to a third party, or it can't be reduced to the high cost involved in doing so.

## 16. Related Parties

Related parties are comprised of shareholders, Board of Directors members, and subsidiaries (entities that are overseen directly or indirectly by the Company's shareholders, or is materially affected by them)

- Related Party Transactions

Material transactions with related parties conducted as part of the Company's ordinary business activities during the year were as follows:

Transaction Nature	2024	2023	2022	2021
<b>United Electronics Company (eXtra)</b>				
Customer purchases financed under Murabaha contracts	11,561,541	254,752,989	373,754,380	356,634,421
Payments to United Electronics Company	(44,393,467)	(286,020,363)	(400,575,980)	(417,837,424)
Collections provided by United Electronics Company on behalf of the Company	(84,843)	(18,368)	(157,117)	(7,003,532)
Collections provided by the Company on behalf of United Electronics Company	-	48,985	13,245,964	51,858,957
Rental expense	4,025,803	3,975,803	3,588,799	3,596,894
Expenses incurred by the Company on behalf of United Electronics Company'	-	-	-	(560,534)

Transaction Nature	2024	2023	2022	2021
Expenses incurred by United Electronics Company on behalf of the Company	13,144,405	9,385,894	7,351,660	5,887,318
IT Support Fees	1,220,143	1,135,131	1,085,000	1,148,376
<b>Procco Financial Services</b>				
Expenses of employees with external contracts	32,483,266	24,228,099	23,731,753	13,766,312
Payments during the year	(30,243,428)	(24,248,524)	(23,798,987)	(12,362,256)
Expenses incurred by Procco on behalf of the Company	(1,188,210)	2,414,650	635,778	1,093,463
<b>United International Holding Company</b>				
Expenses incurred by Procco on behalf of the Company	1,407,411	290,886	-	-
<b>Amounts Due in Favor of Related Parties</b>				
United Electronics Company (eXtra)	5,531,879	20,058,297	36,798,226	38,505,520
Procco Financial Services	6,555,116	5,503,488	3,109,263	2,540,719
<b>Amounts Due from Related Parties</b>				
United International Holding Company	1,698,297	290,886	-	-

## 17. Subsidiaries

Tas'heel, a closed joint-stock financial services company licensed by Saudi Central Bank, does not have any subsidiaries, and is fully owned by the United International Holding Company.

## 18. Board Declarations

Based on the information available from all primary sources, the Board declares the following:

- Accounting records were recorded properly
- The internal control system was set up correctly and is implemented effectively
- There are no doubts about the Company's ability to continue its activities
- The Board did not issue any recommendation for changing the external auditor prior to the expiry of their term, and neither did the Audit Committee

The financial statements were prepared in accordance with international accounting standards, as directed by the supervisory authorities. The Board declares that there is no material difference between the standards used and the accounting standards adopted by the Saudi Organization for Certified Public Accountants.