


.....
Christine Munasinghe
Company Secretary

Adopted by Special Resolution passed by the Shareholders of Assetline Finance Limited pursuant to the Shareholders' Resolution dated 12th June 2025.



.....
Director



.....
Director

ARTICLES OF ASSOCIATION

OF

ASSETLINE FINANCE LIMITED

1. The rules applicable to a Company in the Model Articles in the First Schedule of the Companies Act No.7 of 2007 shall not apply to the Company and instead the Company has adopted the Articles of Association hereinafter set forth.

A. INTERPRETATION

2. In the interpretation of these Articles the following words and expressions shall have the respective meanings given against each such word unless such meanings are inconsistent with or repugnant to the subject or context. The words used or defined in the Companies Act when used in the Articles shall have and be given the same meaning as in the Act.

“Articles” mean these Articles of Association, as may be amended from time to time.

“Board” and “Board of Directors” means the Directors of the Company whose number is not less than the required quorum acting together as a Board of Directors.

“Director” or “Directors” means a Director or the Directors (as the case may be) for the time being of the Company, including where the context so requires or admits alternate Directors, and the Directors assembled at a Board meeting.

“dividend” means a distribution out of the profits of the Company .

“in writing” and “written” includes printing and other such modes of representing or reproducing words in a visible form.

“month” means a calendar month.

“registered office” means the registered office for the time being of the Company.

“presence or present” with regard to a shareholder at a meeting means presence or present personally or by proxy or by attorney duly authorised.

“shares” shall mean shares issued by the Company .

“secretary” or “secretaries” include any individual, firm or Company appointed by the Board to perform any of the duties of the Secretary.

“the Act” means and includes the Companies Act No. 7 of 2007 as amended or modified from time to time or by another Act of Parliament enacted to govern companies.

“the Company ” means Assetline Finance Limited.

“year” means a calendar year.

“working day” means a day other than Saturday, Sunday or a public holiday.

In the interpretation of these Articles, words importing the masculine gender only shall include the feminine gender and words importing the singular number only shall include the plural number and vice versa and words importing persons shall include corporations.

B. OBJECTS OF THE COMPANY

3. Objects

(1) Subject to Article 3(2) hereof, the objects for which the Company is established are:-

- (i) To carry on finance business in conformity with the provisions of the Finance Business Act, No. 42 of 2011 as amended from time to time and in conformity with the provisions of any other law relating to finance companies including all Regulations, Directions, Determinations, Rules, Orders or requirements made, given or imposed thereunder.
- (ii) To carry on finance leasing business in conformity with the provisions of the Finance Leasing Act, No. 56 of 2000 as amended from time to time and in conformity with the provisions of any other law relating to finance leasing establishments including all Regulations, Directions, Determinations, Rules, Orders or requirements made, given or imposed thereunder.
- (iii) To carry on the business of entering into contracts and arrangements with other companies, firms or persons for the sale or purchase of any goods, vehicles or services either by buying, selling, letting on hire, hire purchase or easy payment systems or by financing or assisting other companies, firms or persons to sell on easy payment systems or otherwise let on hire or hire purchase.
- (iv) To carry on business as factors, guarantors, lenders and to undertake and execute all kinds of financial, commercial, trading and other related operations.
- (v) To purchase, take on lease or in exchange, hire, take options over or otherwise acquire or receive any immovable property and hold, manage, develop, improve, work, pledge, mortgage, sell, transfer, let or otherwise howsoever deal with immovable property as may be or appear to be necessary or convenient for the operations and business of the Company.
- (vi) To carry on the business of money transfer from one destination to another through any means including electronic media, facsimile, Internet, credit card, wire transfer through satellite transmission and any other means of safe transmission within and outside Sri Lanka in conformity with the provisions of the Payment and Settlement Systems Act No. 28 of 2005 and all Regulations, Directions, Determinations, Rules, Orders or requirements made, given or imposed thereunder.

- (vii) To borrow funds within Sri Lanka and/or from foreign sources, in Sri Lankan Rupees or foreign currency as permitted by law for the purposes stated above.
 - (viii) To carry on business of a financial acquirer in terms of the law applicable for the time.
 - (ix) To buy, sell and exchange foreign currency notes and coins, and to encash travellers' cheques at the place of business of the Company subject to the Rules, Regulations, Directions and requirements made or imposed in terms of the applicable Foreign Exchange laws.
 - (x) To invest the capital and other moneys of the Company in the purchase or upon the security of shares, stocks, debentures, debenture stock, bonds, mortgages, obligations and other securities of any kind issued, guaranteed or granted by any person, company, corporation, or undertaking of whatever nature and where so ever constituted or carrying on business, whether within or outside Sri Lanka.
- (2) The Company shall carry on any other business or activity that is not within the objects specified herein, so long as the Company is permitted to engage in such other business or activity in terms of the applicable laws.

C. SHARES

4. *Issue of shares*

- (1) Subject to articles 4(2) and 4(3), of these Articles, the Board may issue such shares to such persons as it thinks fit in accordance with section 51 of the Act. Where the shares confer rights other than those specified in subsection (2) of section 49 of the Act, or impose any obligation on the holder, the Board must approve terms of issue which set out the rights and obligations attached to the shares as required by subsection (2) of section 51.
- (2) Before it issues shares, the Board must decide the consideration for which the shares will be issued. The consideration must be fair and reasonable to the Company and to all existing shareholders.
- (3) Where the Company issues shares which rank equally with or prior to existing shares, those shares must be offered to the holders of the existing shares in a manner which would, if accepted, maintain the relative voting and distribution rights of those shareholders. The offer must remain open for acceptance for a reasonable time.

- (4) The Board may,
 - (a) issue shares that may result in an increase or decrease of the number of shares issued by the Company pursuant to a decision of the Company to effect a sub division of any class of existing shares into a greater number of or a consolidation and division of shares;
 - (b) issue shares pursuant to a capitalization of the reserves of the Company or by way of dividends; or
 - (c) issue shares to persons other than existing shareholders.
- (5) The provisions of paragraph 3 of this article shall not apply to an issue of shares under paragraph 4 of this article.
- (6) The Company shall, on an issue of shares in terms of paragraph 4 (c) above, obtain approval therefore of the holders of shares whose voting and distribution rights would be affected thereby, by way of a special resolution.
- (7) The Company may issue redeemable shares as decided by the Board at the time of such issue, which may be redeemed by the Company at the option of the Company or at the option of the holders of such shares or on a date specified by the Board, for a consideration that is specified by the Board at the time of issue or at a sum to be calculated by reference to a formula or fixed by a suitably qualified person, who is not associated with or interested in the Company as decided by the Board at the time of issue.
- (8) The Company may purchase or otherwise acquire its own shares, from one or more of the shareholders or from all of the shareholders, with the approval of the Board.

5. *Calls on shares*

- (1) Where a share imposes any obligation on the holder to pay an amount of money —
 - (a) on a fixed date, the holder must pay that amount on that date;
 - (b) when called on to do so by the Board, the Board may at any time give written notice to the holder requiring the payment to be made within a specified period of not less than twenty (20) working days, and the payment must be made in accordance with that notice.

Any amount not paid by the due date shall carry interest at a rate fixed by the Board not exceeding ten per cent (10%) per annum, accruing daily. The Board may waive payment of interest.

- (2) Joint holders of a share are jointly and severally liable for any payments to be made under paragraph (1) of this article.
- (3) The Company has a lien on every share to which paragraph (a) of this article 1 applies, and on every distribution payable in respect of that share, for all amounts presently due and payable to the Company in respect of that share.
- (4) The Company may sell in such manner as the Board thinks fit, any shares on which the Company has a lien, if—
 - (a) the Company has given written notice of its intention to do so to the shareholder; and
 - (b) the shareholder has failed to make the payment in respect of which the lien has arisen, within ten (10) working days of the giving of that notice.

The transfer may be signed on behalf of the purchaser by any person appointed to do so by the Board, and the purchaser shall be registered as the holder of the shares transferred and his title shall not be affected by any irregularity or invalidity in the sale.

- (5) The proceeds of a sale under paragraph (4) of this article shall be received by the Company and applied first in payment of the costs of sale, and then in payment of the amount in respect of which the lien arose. The remainder shall be paid to the person entitled to the shares, at the time of the sale.

6. Distributions

- (1) The Company may make distributions to shareholders in accordance with section 56 of the Act. Subject to paragraph (2) of this article, every dividend must be approved by the Board and by an ordinary resolution of the shareholders. The Board must be satisfied that the Company will immediately after the distribution, satisfy the solvency test. The Directors who vote in favour of the distribution must sign a certificate of their opinion to that effect.
- (2) The Board may from time to time approve the payment of an interim dividend to shareholders, where that appears to be justified by the Company's profits, without the need for approval by an ordinary resolution of the shareholders. The Board must be satisfied that the Company will immediately after the interim dividend is paid, satisfy the solvency test. The Directors

who vote in favour of the interim dividend must sign a certificate of their opinion to that effect.

- (3) The Company is deemed to have satisfied the solvency test if -
 - (a) it is able to pay its debts as they fall due in the normal course of business; and
 - (b) the value of its assets is greater than the sum of the value of its liabilities and its stated capital.

7. *Share register, share certificates and transfer and transmission of shares*

- (1) The Company must maintain a share register, which complies with section 123 of the Act. The share register must be kept at the registered office of the Company or at any other place in Sri Lanka, notice of which has been given to the Registrar in accordance with subsection (4) of section 124 of the Act.
- (2) Where shares are to be transferred, a form of transfer signed by the holder or by his legal representative shall be delivered to the Company. The transfer must be signed by the transferee if the share imposes any liability on its holder.
- (3) The Board may resolve to refuse to register a transfer of a share within six (06) weeks of receipt of the transfer, if any amount payable to the Company in respect of the share is due but unpaid. If the Board resolves to refuse to register a transfer for this reason, it must give notice of the refusal to the shareholder within one (01) week of the date of the resolution. The Company shall not be bound to register more than three persons as the joint holders of any shares (except in the case of executors, administrators or trustees of a deceased shareholder).
- (4) Where a joint holder of a share dies, the remaining holders shall be treated by the Company as the holders of that share. Where the sole holder of a share dies, that shareholder's legal representative shall be the only person recognized by the Company as having any title to or interest in the share.
- (5) Any person who becomes entitled to a share as a consequence of the death, bankruptcy or insolvency or incapacity of a shareholder may be registered as the holder of that shareholder's shares upon making a request in writing to the Company to be so registered, accompanied by proof satisfactory to the Board of that entitlement. The Board may refuse to register a transfer under this article in the circumstances set out in paragraph (3) of this article.

- (6) Where the Company issues shares or the transfer of any shares is entered on the share register, the Company must within two (02) months complete and have ready for delivery a share certificate in respect of the shares.
- (7) Notwithstanding any provision in these Articles suggesting the contrary, shares listed on the Colombo Stock Exchange shall be freely transferable and registration of the transfer of such listed shares shall not be subject to any restriction, save and except to the extent required for compliance with statutory requirements.
- (8) Notwithstanding anything to the contrary in these Articles, so long as the shares of the Company are listed on the Colombo Stock Exchange, the Board may register without assuming any liability therefor any transfer of shares which is in accordance with the rules and regulations in force for the time being and from time to time as laid down by the Colombo Stock Exchange and / or by the Central Depository of the Colombo Stock Exchange.

D. MEETINGS OF SHAREHOLDERS

8. *Rules relating to meetings of shareholders*

A meeting of shareholders may determine its own procedure, to the extent that it is not governed by these Articles.

9. *Notice of meetings*

- (1) Written notice of the time and place of a meeting of shareholders must be given to every shareholder entitled to receive notice of the meeting and to every Director and the auditor of the Company.
 - (a) not less than fifteen (15) working days (as defined in the Act) before the meeting, if the meeting is an annual general meeting or the meeting is one where it is intended to propose a resolution as a special resolution at the meeting;
 - (b) not less than ten (10) working days before the meeting, in any other case.
- (2) The notice must set out—
 - (a) the nature of the business to be transacted at the meeting in sufficient detail to enable a shareholder to form a reasoned judgment in relation to it; and
 - (b) the text of any resolution to be submitted to the meeting.

- (3) An irregularity in a notice of a meeting is waived if all the shareholders entitled to attend and vote at the meeting attend the meeting without protest as to the irregularity, or if all such shareholders agree to the waiver.
- (4) If a meeting of shareholders is adjourned for less than thirty (30) days, it is not necessary to give notice of the time and place of the adjourned meeting, other than by announcement at the meeting which is adjourned.

10. *Methods of holding meetings*

A meeting of shareholders may be held either—

- (1) by a number of shareholders who constitute a quorum, being assembled together at the place, date and time appointed for the meeting; or
- (2) by means of audio, or audio and visual communication by which all shareholders participating and constituting a quorum, can simultaneously hear each other throughout the meeting.

11. *Quorum*

- (1) Subject to paragraph (3) of this article, no business may be transacted at a meeting of shareholders if a quorum is not present.
- (2) A quorum for a meeting of shareholders is the number present in person or by their proxies together holding a majority of the fully paid shares in the Company.
- (3) If a quorum is not present within thirty (30) minutes after the time appointed for the meeting, the meeting is adjourned to the same day in the following week at the same time and place, or to such other date, time and place as the Directors may appoint. If at the adjourned meeting, a quorum is not present within thirty (30) minutes after the time appointed for the meeting, the shareholders present or their proxies shall be deemed to form a quorum.

12. *Chairperson*

- (1) If the Directors have elected a chairperson of the Board, and the chairperson of the Board is present at a meeting of shareholders, he or she must chair the meeting.
- (2) If no chairperson of the Board has been elected or if at any meeting of shareholders the chairperson of the Board is not present within fifteen (15) minutes of the time appointed for

the commencement of the meeting, the shareholders present may choose one of their members to be chairperson of the meeting.

13. *Voting*

- (1) In the case of a meeting of shareholders held under paragraph (1) of article 10, unless a poll is demanded, voting at the meeting shall be by whichever of the following methods as determined by the chairperson of the meeting—
 - (a) voting by voice; or
 - (b) voting by show of hands.
- (2) In the case of a meeting of shareholders held under paragraph (2) of article 10, unless a poll is demanded, voting at the meeting shall be by shareholders signifying individually their assent or dissent by voice.
- (3) A declaration by the chairperson of the meeting that a resolution is carried by the requisite majority is conclusive evidence of that fact, unless a poll is demanded in accordance with paragraph (4) of this article.
- (4) At a meeting of shareholders, a poll may be demanded by —
 - (a) the chairperson;
 - (b) not less than five (05) shareholders having the right to vote at the meeting; or
 - (c) a shareholder or shareholders representing not less than ten *per centum* (10%) of the total voting rights of all shareholders having the right to vote at the meeting.
- (5) A poll may be demanded either before or after the vote is taken on a resolution.
- (6) If a poll is taken, votes must be counted according to the votes attached to the shares of each shareholder present and voting.
- (7) The chairperson of a shareholders' meeting is not entitled to a casting vote.

14. Proxies

- (1) A shareholder may exercise the right to vote either by being present in person or by proxy.
- (2) A proxy for a shareholder is entitled to attend and be heard at a meeting of shareholders as if the proxy were the shareholder.
- (3) A proxy must be appointed by notice in writing signed by the shareholder. The notice must state whether the appointment is for a particular meeting, or for a specified term.
- (4) No proxy is effective in relation to a meeting, unless a copy of the notice of appointment is given to the Company not less than twenty four (24) hours before the start of the meeting.

15. Minutes

- (1) The Board must ensure that minutes are kept of all proceedings at meetings of shareholders.
- (2) Minutes which have been signed correct by the chairperson of the meeting are *prima facie* evidence of the proceedings.

16. Shareholders proposals

Shareholders entitled to do so may give notice of the resolution to the Company in accordance with section 142 of the Act and it shall be the duty of the Company to give notice of the resolution or circulate the statement, or both, as the case may be, in accordance with section 142.

The Company is not required to give notice of a resolution or circulate a statement in the circumstances set out in subsections (4) or (5) of section 142.

17. Corporations may act by representatives

A body corporate which is a shareholder may appoint a representative to attend a meeting of shareholders on its behalf in the same manner as it could appoint a proxy.

18. Votes of joint holders

Where two (02) or more persons are registered as the holder of a share, the vote of the person named first in the share register and voting on a matter, shall be accepted to the exclusion of the votes of the other joint holders.

19. *Loss of voting right if calls unpaid*

If a sum due to a Company in respect of a share has not been paid, that share may not be voted at a shareholders' meeting other than a meeting of an interest group.

20. *Annual general meetings and extraordinary general meetings of shareholders*

(1) Subject to paragraphs (2) and (3) of this article, the Board must call an annual general meeting of the Company to be held —

(a) once in each calendar year;

(b) not later than six (06) months after the balance sheet date of the Company ; and

(c) not later than fifteen (15) months after the previous annual meeting.

The meeting must be held on the date on which it is called to be held.

(2) The Company need not hold its first annual meeting in the calendar year of its incorporation, but must hold that meeting within eighteen (18) months of its incorporation.

(3) An extraordinary meeting of shareholders entitled to vote on an issue may be called at any time by the Board, and must be called by the Board on the written request of shareholders holding shares, carrying not less than ten *per centum* (10%) of votes which may be cast on that issue.

(4) A resolution in writing signed by not less than eighty-five *per centum* (85%) of the shareholders entitled to vote on the resolution at a meeting of shareholders, who together hold not less than eighty-five *per centum* (85%) of the votes entitled to be cast on that resolution, is as valid as if it had been passed at a meeting of those shareholders. The Company need not hold an annual general meeting if everything required to be done at the meeting (by resolution or otherwise) is done by resolution and is in accordance with this article. An expression by any shareholder of consent or dissent to a resolution by means of communication by telefax or facsimile transceiver or electronic mail shall be deemed for all purposes to be equivalent to such shareholder signing a resolution for the purpose of this article.

(5) Within five (05) working days of a resolution being passed under paragraph (4) of this article, the Company must send a copy of the resolution to every shareholder who did not sign the resolution.

- (6) A resolution may be passed under paragraph (4) of this article without any prior notice being given to shareholders.

21. *Voting in interest groups*

Where the Company proposes to take action which affects the rights attached to shares within the meaning of section 99 of the Act, the action may not be taken unless it is approved by a special resolution of each interest group, as defined in the Act.

22. *Shareholders entitled to receive distributions, exercise preemptive rights, and attend and vote at meetings*

- (1) The shareholders who are entitled to receive notice of a meeting of shareholders for any purpose shall be —
- (a) if the Board fixes a date for the purpose, those shareholders whose names are registered in the share register on that date;
 - (b) if the Board does not fix a date for the purpose, those shareholders whose names are registered in the share register at the close of business on the day immediately preceding the day on which the notice is given.
- (2) A date fixed under paragraph (1) of this article should not precede by more than thirty (30) working days, the date on which the meeting is to be held.
- (3) Before a meeting of shareholders, the Company may prepare a list of shareholders entitled to receive notice of the meeting arranged in alphabetical order, and showing the number of shares held by each shareholder—
- (a) if a date has been fixed under paragraph (1) of this article, not later than ten (10) working days after that date; or
 - (b) if no such date has been fixed, at the close of business on the day immediately preceding the date on which the notice is given.
- (4) A person named in a list prepared under paragraph (3) of this article is entitled to attend the meeting and vote in respect of the shares shown opposite his name in person or by proxy, except to the extent that—

- (a) that person has, since the date on which the shareholders entitled to receive notice of the meeting were determined, transferred any of his shares to some other person; and
 - (b) the transferee of those shares has been registered as the holder of those shares and has requested before the commencement of the meeting that his or her name be entered on the list prepared under paragraph (3) of this article.
- (5) A shareholder may examine a list prepared under paragraph (3) of this article during normal business hours, at the registered office of the Company.

E. DIRECTORS AND SECRETARY

23. *Appointment and removal of Directors*

- (1) The number of Directors on the Board shall not be less than seven (07) and not more than thirteen (13).
- (2) A Director may be appointed or removed by ordinary resolution passed at a meeting called for the purpose or by a written resolution in accordance with paragraph (4) of article 20. The shareholders may only vote on a resolution to appoint a Director if –
 - (a) The resolution is for the appointment of one (01) Director ; or
 - (b) The resolution is a single resolution for the appointment of two or more persons as Directors, and a separate resolution that it be so voted on has first been passed without a vote being cast against it.
- (3) The Board shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed the maximum number fixed by the shareholders. Any Director so appointed shall hold office until the next annual general meeting and shall then be eligible for re-election.
- (4) A Director may resign by delivering a signed written notice of resignation to the registered office of the Company. Subject to section 208 of the Act, the notice is effective when it is received at the registered office or at any later time specified in the notice.
- (5) A Director vacates office if he—
 - (a) resigns in accordance with paragraph (4) of this article;

- (b) is removed from office, in accordance with the provisions of the Act / or any applicable Statutes or these Articles;
 - (c) becomes disqualified from being a Director pursuant to section 202 of the Act;
 - (d) dies; or
 - (e) vacates office pursuant to subsection (2) of section 210 of the Act, on the ground of his age or retires in accordance with the provisions of any applicable Statutes.
- (6) If the number of Directors falls below the minimum above fixed, the remaining Directors shall act only for the purpose of appointing a Director or Directors to fill one or more of the vacancies.

24. *Power and duties of Directors*

- (1) Subject to section 185 of the Act which relates to major transactions, the business and affairs of the Company shall be managed by or under the direction or supervision of the Board. The Board shall have all the powers necessary for managing and for directing and supervising the management of the business and affairs of the Company.
- (2) The Board may delegate to a committee of Directors or to a Director or employee any of its powers which it is permitted to delegate under section 186 of the Act.
- (3) The Directors have the duties set out in the act, and in particular—
 - (a) each Director must act in good faith and in what he believes to be the best interest of the Company ;
 - (b) no Director shall act or agree to the Company to act, in a manner that contravenes any provisions of the Act or these articles.

25. *Interested Directors*

- (1) A Director who is interested in a transaction to which the Company is a party must disclose that interest in accordance with section 192 of the Act.
- (2) Subject to paragraph (3) of this article, a Director is interested in a transaction to which the Company is a party, if, and only if, the Director —

- (a) is a party to or will or may derive a material financial benefit from the transaction;
 - (c) has a material financial interest in another party to the transaction;
 - (c) is a Director, officer or trustee of another party to, or person who will or may derive a material financial benefit from the transaction, not being a party or person that is—
 - (i) the Company's holding Company, being a holding Company of which the Company is a wholly-owned subsidiary;
 - (ii) a wholly-owned subsidiary of the Company; or
 - (iii) a wholly-owned subsidiary of a holding Company of which the Company is also a wholly-owned subsidiary;
 - (d) is the parent, child or spouse of another party to or person who will or may derive a material financial benefit from the transaction; or
 - (e) is otherwise directly or indirectly materially interested in the transaction.
- (3) A Director of a Company is not interested in a transaction to which the Company is a party, if the transaction comprises only the giving by the Company of security to a third party which has no connection with the Director, at the request of the third party, in respect of a debt or obligation of the Company for which the Director or another person has personally assumed responsibility in whole or in part, under a guarantee, indemnity or by the deposit of a security.
- (4) Paragraph (2) of this article does not apply to any remuneration or other benefit given to a Director in accordance with section 216 of the Act, or, to any insurance or indemnity provided in accordance with section 218 of the Act.
- (5) A Director who is interested in a transaction entered into or to be entered into by the Company, may—
- (a) vote on a matter relating to the transaction;
 - (b) attend a meeting of Directors at which a matter relating to the transaction arises and be included among the Directors present at the meeting for the purpose of a quorum;
 - (c) sign a document relating to the transaction on behalf of the Company ; and

- (d) do any other thing in his capacity as a Director in relation to the transaction,

as if he was not interested in the transaction.
- (6) A Director of a Company who has information in his capacity as a Director or employee of the Company which would not otherwise be available to him, must not disclose that information to any person or make use of or act on the information, except—
 - (a) for the purposes of the Company ;
 - (b) as required by law; or
 - (c) in accordance with paragraph (7) of this article.
- (7) A Director of a Company may disclose, make use of or act on information if—
 - (a) the Director is first authorized to do so by the Board under paragraph (8) of this article; and
 - (b) particulars of the authorization are entered in the interests register.
- (8) The Board may authorize a Director to disclose, make use of or act on information, if it is satisfied that to do so will not be likely to prejudice the Company .
- (9) A Director must disclose all dealings in shares of the Company in which he has a relevant interest, in accordance with sections 198, 199 and 200 of the Act.

26. *Procedure at meetings of Directors*

- (1) Articles 27 to 33 sets out the procedure to be followed at meetings of Directors.
- (2) A meeting of Directors may determine its own procedure, to the extent that it is not governed by these Articles.

27. *Chairperson*

- (1) The Directors may elect one (01) of their members to be the chairperson of the Board and may determine the period for which the chairperson is to hold office.

- (2) If no chairperson is elected or if at a meeting of the Board the chairperson is not present within five (05) minutes after the time appointed for the commencement of the meeting, the Directors present may choose one of their number to be chairperson of the meeting,

28. *Notice of meeting*

- (1) A Director, the secretary or if requested by a Director to do so, an employee of the Company , may convene a meeting of the Board by giving notice in accordance with this article.
- (2) Not less than seventy-two (72) hours' notice of a meeting of the Board must be given to every Director who is in Sri Lanka.
- (3) An irregularity in the notice of a meeting is waived if all Directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or if all Directors entitled to receive notice of the meeting agree to the waiver.

29. *Methods of holding meetings*

A meeting of the Board may be held either—

- (1) by a number of the Directors who constitute a quorum being assembled together at the place, date and time appointed for the meeting; or
- (2) by means of audio or audio and visual communication by which all Directors participating and constituting a quorum can simultaneously hear each other throughout the meeting.

30. *Quorum*

- (1) A quorum for a meeting of the Board is a majority of the Directors, subject to the provisions of the Corporate Governance Directions issued by the Central Bank of Sri Lanka in terms of the Finance Business Act No.42 of 2011 (as amended).
- (2) No business may be transacted at a meeting of Directors if a quorum is not present.

31. *Voting*

- (1) Every Director has one (01) vote.
- (2) The chairperson has a casting vote.

- (3) A resolution of the Board is passed if it is agreed to by all Directors present without dissent or if a majority of the votes cast on it are in favour of it.
- (4) A Director present at a meeting of the Board is presumed to have agreed to and to have voted in favour of a resolution of the Board, unless he or she expressly dissents from or votes against the resolution at the meeting.

32. *Minutes*

The Board must ensure that minutes are kept of all proceedings at meetings of the Board.

33. *Unanimous resolution*

- (1) A resolution in writing signed or assented to by all Directors entitled to receive notice of a Board meeting, is as valid and effective as if it had been passed at a meeting of the Board duly convened and held.
- (2) Any such resolution may consist of several documents (including facsimile or other similar means of communication) in like form, each signed or assented to by one or more Directors.
- (3) A copy of any such resolution must be entered in the minute book of Board proceedings.

34. *Alternate Directors*

- (1) A Director may, if exceptional circumstances exist and he is unable to attend to his duties as a director, at any time by notice in writing left at the registered office appoint any person approved by the Board to be an alternate Director of the Company to act in his place during the absence.

An Alternate Director appointed for a Non-Executive Director shall not be an Executive Director of the Company.

An Alternate Director, appointed by an Independent Director, shall meet the criteria of Independence specified in the Listing Rules of the Colombo Stock Exchange and the Company shall satisfy the requirements relating to the minimum number of Independent Directors.

The following provisions of this article shall apply to any person so appointed:

- (a) person appointed to be an alternate Director shall not in respect of such appointment be entitled to receive any remuneration from the Company nor be required to hold any share qualification but the Board may repay the alternate Director such reasonable expenses as he may incur in attending and returning from meetings of the Board which he is entitled to attend or as he may otherwise properly incur in or about the business of the Company or may pay such allowances as it thinks proper in respect of these expenses.
- (b) An alternate Director shall (on his giving an address for such notice to be served upon him) be entitled to receive notices of all meetings of the Board and to attend and vote as Director at any such meeting at which the Director appointing him is not personally present and generally to perform all the functions of his appointor as a Director in the absence of such appointor.
- (c) An alternate Director may be appointed for a specified period or otherwise or until the happening of a specified event but he shall ipso facto cease to be an alternate Director in any of the following events, that is to say:-
 - (i) upon the appointor being available to perform these functions;
 - (ii) if his appointor ceases for any reason to be a Director;
 - (iii) if the alternate Director shall have a receiving order made against him or compounds with his creditors or is adjudicated an insolvent;
 - (iv) if the alternate Director be lunatic or become of unsound mind;
 - (v) if the appointment of alternate Director is revoked by his appointor by a notice in writing left at the registered office;
 - (vi) if the Board resolves that the appointment of the alternate Director be terminated; provided that such termination shall not take effect until the expiry of thirty (30) days after the date of the resolution of the Board.
 - (vii) if disqualified by any applicable Statutes.
- (d) A Director shall not vote on the question of the approval of an alternate Director to act for him or on the question of the termination of the appointment of such an alternate Director under sub-paragraph (vi) of the last foregoing sub-clause of this article, and if he does so his vote shall not be counted; nor for the purpose of any resolution for either of these purposes shall he be counted in the quorum present at the meeting.

35. *Managing Director and other Executive Directors*

- (1) The Board may from time to time appoint a Director as Managing Director for such period and on such terms as it thinks fit.
- (2) Subject to the terms of a Managing Director's appointment, the Board may at any time cancel an appointment of a Director as Managing Director.
- (3) A Director who holds office as Managing Director ceases to hold office as Managing Director, if he ceases to be a Director of the Company .
- (4) The Managing Director shall be paid such remuneration as may be agreed between him and the Board. His remuneration may be by way of salary, commission, participation in profits or any combination of these methods or any other method of fixing remuneration.
- (5) The Board may delegate to the Managing Director, subject to any conditions or restrictions which they consider appropriate, any of their powers which can be lawfully delegated. Any such delegation may at any time be withdrawn or varied by the Board. The delegation of a power of the Board to the Managing Director does not prevent the exercise of the power by the Board, unless the terms of the delegation expressly provide otherwise.
- (6) A Director other than the Managing Director who is employed by the Company shall be paid such remuneration as may be agreed to between him and the Board. His remuneration may be by way of salary, commission, participation in profits or any combination of these methods or any other method of fixing remuneration.

36. *Secretary*

- (1) The Company must at all times have a secretary.
- (2) The Board may appoint the secretary for such term and on such conditions as it thinks fit. The remuneration of the secretary shall be agreed to by the Board and the secretary.
- (3) The Board may remove the secretary.
- (4) The secretary may not be —
 - (a) the sole Director of the Company ; or
 - (b) a corporation, the sole Director of which is the sole Director of the Company .

- (5) Where the Act or these articles require something to be done by a Director and the secretary, it is not satisfied by the same person doing that thing acting in both capacities.

F. ACCOUNTS AND AUDIT

37. *Accounting records, financial statements, audit etc.*

- (1) The Board must ensure that the Company keeps accounting records which —
- (a) correctly record and explain the Company's transactions;
 - (b) will at any time enable the financial position of the Company to be determined with reasonable accuracy;
 - (c) will enable the Board to prepare financial statements in accordance with the Act; and
 - (d) will enable the financial statements of the Company to be readily and properly audited.
- (2) The accounting records must comply with subsection (2) of section 148 of the Act.
- (3) The Board shall ensure that within three (03) months after the balance sheet date of the Company, financial statements which comply with section 151 of the Act (and if applicable, group financial statements which comply with section 153 of the Act) are completed in relation to that balance sheet date and are dated and signed on behalf of the Board by two (02) Directors.
- (4) At every annual general meeting, the Company must appoint an auditor for the following year in accordance with section 154 of the Act. An auditor who is appointed at an annual general meeting is deemed to be reappointed at the following annual general meeting, unless
- (a) he is not qualified for reappointment;
 - (b) the Company resolves at that meeting to appoint another person in his place; or
 - (c) the auditor has given notice to the Company that he does not wish to be reappointed.
- (5) The Board must within three (03) months after the balance sheet date of the Company, prepare an annual report on the affairs of the Company during the accounting period ending

on that date which complies with section 166 of the Act. The Board must send a copy of the annual report to every shareholder not less than twenty (20) working days before the date fixed for holding the annual general meeting of shareholders.

G. BORROWING POWERS OF DIRECTORS

- 38.** The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party.

H. LIQUIDATION AND REMOVAL FROM THE REGISTER

39. *Resolution to appoint Liquidator*

The shareholders may resolve to wind up the Company voluntarily by special resolution.

40. *Distribution of surplus assets*

- (1) The surplus assets of the Company available for distribution to shareholders after all creditors of the Company have been paid, shall be distributed in proportion to the number of shares held by each shareholder, subject to the terms of issue of any shares.
- (2) The liquidator may with the approval of a special resolution, divide the surplus assets of the Company among the shareholders in kind. For this purpose he may set such value as he considers fair on any property to be divided, and may determine how the division will be carried out as between the shareholders or different classes of shareholders.

I. MISCELLANEOUS

41. *Documents to be kept by the Company*

- (1) The Company must keep at its registered office or at some other place notice of which has been given to the Registrar in accordance with subsection (4) of section 116 of the Act, the following documents :—

(a) the certificate of incorporation and the Articles of the Company ;

- (b) minutes of all meetings and resolutions of shareholders within the last ten (10) years;
 - (c) an interests register, unless the Company has dispensed with the need to keep such a register;
 - (d) minutes of all meetings and resolutions of Directors and Directors' committees within the last ten (10) years;
 - (e) Certificates required to be given by Directors under the Act within the last ten (10) years;
 - (f) the register of Directors and secretaries required to be kept under section 223 of the Act;
 - (g) copies of all written communication to all shareholders or all holders of the same class of shares during the last ten (10) years, including annual reports prepared under article 37(5);
 - (h) copies of all financial statements and group financial statements required to be completed under the Act for the last ten (10) completed accounting periods of the Company ;
 - (i) the copies of instruments creating or evidencing charges and the register of charges required to be kept under sections 109 and 110 of the Act;
 - (j) the share register required to be kept under section 123 of the Act; and
 - (k) the accounting records required by section 148 of the Act for the current accounting period and for the last ten (10) completed accounting periods of the Company .
- (2) The references in paragraph (1) of this article to “ten (10) years” and to “ten (10) completed accounting periods” shall include such lesser periods as the Registrar may approve, by notice in writing to the Company .

42. *Rights of Directors and Shareholders to documents etc.*

- (1) The Directors of the Company are entitled to have access to the Company's records in accordance with section 118 of the Act.
- (2) A shareholder of the Company is entitled—

- (a) to inspect the documents referred to in section 119 of the Act, in the manner specified in section 121 of the Act; and
- (b) to require copies of or extracts from any document which he may inspect, within five (05) working days of making a request in writing for the copy or extract, on payment of any reasonable copying and administration fee determined by the Company . The fee may be determined by any Director or by the secretary, subject to any directions from the Board.

43. *Name of Company*

The Company may change its name by special resolution in accordance with section 8 of the Act.

44. *Method of Contracting*

- (1) A contract or other enforceable obligation may be entered into by the Company as follows:
 - (a) An obligation which, if entered into by a natural person is required by law to be in writing signed by that person and be notarially attested, may be entered into on behalf of the Company in writing signed under the name of the Company by;
 - (i) Two (02) directors of the Company;
 - (ii) One (01) director and the Company Secretary;
 - (iii) Any person authorised by the Board of Directors of the Company and either (a) one (01) Director; or (b) Company Secretary, of the Company; or
 - (iv) An attorney duly appointed by the Company via a resolution of the Board of Directors of the Company, and be notarially executed;
 - (b) An obligation which, if entered into by a natural person is required by law to be in writing and signed by that person, may be entered into on behalf of the Company in writing signed by a person acting under the Company's express or implied authority;
 - (c) An obligation which if entered into by a natural person is not required by law to be in writing, may be entered into on behalf of the Company in writing or orally, by a person acting under the Company's express or implied authority.
- (2) The provision of subsection (1) shall apply to a contract or other obligation;
 - (a) whether or not that contract or obligation is entered into in Sri Lanka; and

(b) whether or not the law governing the contract or obligation is the law of Sri Lanka.

- (3) Any of the aforesaid contracts or other enforceable obligations may also be entered into on behalf of the Company by affixing of its common seal in the presence of two (02) or more Directors, or of one (01) Director and the secretary or secretaries who shall attest the sealing thereof, such attestation on the part of the secretaries, in the event of it being a firm or registered Company shall be a partner or duly authorized manager, director, secretary, attorney or agent of the said firm or Company, signing for and on behalf of the said firm or company as such secretaries. The common seal of the Company shall not be affixed other than in a manner set out herein.

45. *Appointment of Attorney*

The Company may, from time to time, and at any time, by power of attorney executed as set out in the aforesaid article 44 appoint any person or persons to be the attorney/s of the Company for such purposes and with such powers, authorities and discretion and for such periods and subject to such conditions as the Company may prescribe from time to time.

46. *Notices*

- (1) Where the Company is required to send any document to a shareholder or to give notice of any matter to a shareholder, it shall be sufficient for the Company to send the document or notice to the registered address of the shareholder by ordinary post. Any document or notice so sent is deemed to have been received by the shareholder within three (03) working days of the posting of a properly addressed and prepaid letter containing the document or notice.
- (2) A shareholder whose registered address is outside Sri Lanka may give notice to the Company of an address in Sri Lanka to which all documents and notices are to be sent, and the Company shall treat that address as the registered address of the shareholder for all purposes. Where a notice is given by an Advertisement, such advertisement shall be published in Sinhala, Tamil and English national daily newspapers.
- (3) A document may be sent or notice given by the Company to the joint holders of a share, by giving the notice to the holder first named on the share register in respect of the share.
- (4) Where a shareholder has died or has become bankrupt or insolvent, the Company may continue to send all notices and documents in respect of his shares addressed to him at his address, notwithstanding that some other person has by reason of the death, bankruptcy or insolvency, become entitled to those shares, or may send any notice or document to an address to which that other person requests the Company to send such notices.

- (5) A copy of every notice or document sent to all shareholders must be sent to the auditor of the Company .

47. Insurance and indemnity

- (1) The Company shall indemnify every Director, auditor and secretary of the Company for the time being against any costs incurred in the course of defending any proceeding that relates to any act or omission in his capacity as Director, auditor or secretary, in which judgment is given in his favour or in which, he is acquitted or which is discontinued.
- (2) The Company may indemnify a Director or employee in circumstances where paragraph (1) does not apply, to the extent permitted by subsection (3) of section 218 of the Act, if the Board considers it appropriate to do so.

48. Prevailing of the Finance Business Act, No.42 of 2011 and the Finance Leasing Act, No.56 of 2000

Notwithstanding anything to the contrary contained in these Articles, if and so long as the Company is registered as a finance company in terms of the Finance Business Act, and as a registered leasing establishment in terms of the Finance Leasing Act, the provisions of the Finance Business Act and Finance Leasing Act, or any and all other Statutes applicable to the finance business and finance leasing business from time to time, including regulations, directions, determinations, rules, orders or requirements made, given or imposed thereunder, shall prevail in the event of inconsistency.

49. Compliance with the Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021 and the listing rules & CDS rules of the Colombo Stock Exchange

Notwithstanding anything to the contrary contained in these Articles, so long as the Company is listed on the Colombo Stock Exchange, the Company shall comply with the Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021 and Rules of the Colombo Stock Exchange and the Central Depository Systems (Private) Limited, which shall be in force from time to time.