ARTICLES OF ASSOCIATION

OF

HAYLEYS PLC

1. The Company shall be governed by the following Articles.

For the avoidance of doubt, the articles of association set out in the First Schedule of the Companies Act No. 7 of 2007 shall not apply to the Company.

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.

"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 who number not less than the required quorum acting together as a board of directors.

"stated capital" means the total of all amounts received by the Company or due and payable to the Company in respect of the issue of shares and in respect of calls on shares.

"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" 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 another Act of Parliament enacted to govern companies.

"the Company" means Hayleys PLC.

"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.

3. **B. OBJECTS OF THE COMPANY**

(1) To carry on the business of planters, cultivators, buyers, sellers, and dealers in tea, cacao, rubber, gutta percha, and other tropical crops, and to manufacture, dispose of, sell, and deal in products of tea, cacao, coconut, fibre, coir yarn, kapok, oil, cardamoms, rubber, gutta percha and other tropical crops.

(2) To act as directors, secretaries, consignees, and commercial agents of any company or companies carrying on business or owning property or estates of any kind in Ceylon or elsewhere in the East, or to undertake any or all of these duties concurrently.

(3) To act as agents for the investment, loan, payment, transmission, and collection of money, and for the purchase, sale, and improvement, development and management of property including business concerns and undertakings, and generally to transact all kinds of agency business, whether in respect of agricultural, commercial, or financial matters.

(4) To seek for and secure openings for the employment of capital in Sri lanka and elsewhere and with a view thereto to prospect, inquire, examine, explore, and test, and to dispatch and employ expeditions, commissioners, experts, and other agents.

(5) To carry on the business of iron founders, mechanical engineers, motor and electrical engineers and manufacturers of agricultural implements and other machinery, tool-makers, brass-founders, metal-workers, boiler-makers, millwrights, machinists, iron and steel converters, smiths, wood-workers, builders, painters, metallurgists, electrical engineers, water supply engineers, gas-makers, farmers, printers, carriers, and merchants, and to buy, sell, manufacture, repair, convert, alter, let on hire, and deal in machinery, implements, rolling-stock, and hardware of all kinds, to carry on any business relating to the winning and working of minerals, the production and working of metals, and the production, manufacture, and preparation of any other materials which may be usefully or conveniently combined with the engineering or manufacturing business of the Company, or any contracts undertaken by the Company, and either for the purpose only of such contracts or as an independent business and to undertake and execute any contracts for works involving the supply or use of any machinery, and to carry out any ancillary or other works comprised in such contracts.

(6) To manufacture, buy, sell, repair, alter, improve, manipulate, treat, and deal in all kinds of goods, wares, and merchandise, plant, machinery, apparatus, appliances, tools, utensils, products, materials, substances, articles, and things necessary or useful in carrying on any of the above business or operations, or usually dealt in by persons or companies engaged therein.

(7) To make, build, construct, provide, maintain, improve, carry on, use and work roads, ways, railways, tramways, telegraphs, telephones, electric light, canals, reservoirs, waterworks, wells, aqueducts, watercourses, furnaces, gasworks, piers, wharves, docks, saw and other mills, hydraulic works, factories, warehouses, boats, and other works and building which may be deemed expedient for the purposes of the Company,

and to contribute to the cost of making, building, constructing, providing, carrying on, using, and working the same.

(8) To apply for or acquire by purchase or otherwise for the business of the Company any factories, buildings, mills, plant, engines, machinery, patent rights, secret processes or other things, British, Colonial, or foreign, licenses, concessions, and the like conferring any exclusive or non-exclusive or limited right to use any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop, or grant licenses in respect of or otherwise turn to account the property, rights, or information so acquired, and to make, assist, or subsidise experiments, researches, investigations, expeditions, or voyages of discovery that may appear to be likely to benefit the Company.

(9) To carry on any other business or businesses whatsoever and wheresoever which may in the opinion of the Board of the Company be conveniently carried on in connection with any business which the Company is authorized to carry on or calculated directly or indirectly to enhance the value and/or render profitable any of the Company's properties or rights and to transact any or every description of agency, commission, commercial, manufacturing, mercantile, and financial business. Provided however that the Company shall not have the power to carry on the business of banking or insurance.

(10) To lend, invest, and deal with moneys of the Company not immediately required in such manner as may from time to time be determined.

(11) To carry on the business of motor vehicle proprietors, motor garage proprietors, motor repairers and carriers of goods and passengers in such places in Sri Lanka and elsewhere as may from time to time be thought fit.

(12) To carry on all or any of the business of importers, forwarding agents, insurance agents, warehousemen, storekeepers, wholesale and retail dealers of and in rice, textile fabrics of all kinds, leather goods, hardware, ironmongery, turnery, household fittings and utensils, ornaments, stationery, fancy goods, dealers in provisions, drugs, chemicals, perfumery, soap, books, tobacco, beers, wines, spirits and other articles and commodities ordinarily in demand in Sri Lanka and in connection with such business to carry on the business of a co-operative store and general supply society in all its branches and to transact all kinds of agency business.

(13) To purchase, construct, repair, sell, hire, or let motor lorries, motor omnibuses, motor cars, carts, carriages, horses, cattle, machinery and other chattels and things used for any of the above purposes.

(14) To enter into contracts with any person or company as to interchange of traffic or otherwise.

(15) To obtain all powers and authorities necessary to carry out and extend any of the above objects.

(16) To acquire and deal with the property following :-
- (a) The business property and liabilities of any company, firm or person carrying on any business within the objects of this Company.
- (b) Lands, buildings easements and other interests in immovable property.
- (c) Plant, machinery, personal estate and effects.
- (d) Patents, patent rights or inventions, copyrights, designs, trademarks or secret processes.

(17)
- (a) To acquire and hold shares, stocks, debentures, debenture-stock, bonds, obligations, and securities issued or guaranteed by any company constituted or carrying on business in the United Kingdom, or in any colony, or dependency, or possession thereof, or in any foreign country, and debentures, debenture-stock, bonds, obligations, and securities issued or guaranteed by any government,

sovereign ruler, commissioners, public body, or authority, supreme, municipal, local or otherwise.

(b) To acquire any such shares, stocks, debentures, debenture-stock, bonds, obligations, or securities by original subscription, tender, purchase, exchange, or otherwise, and to subscribe for the same, either conditionally or otherwise, and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof.

(c) To issue debentures, debenture-stock, bonds, obligations, and securities of all kinds, and to frame, constitute, and secure the same, as may seem expedient, with full power to make the same transferable by delivery, or by instrument of transfer or otherwise, and either perpetual or terminable, and either redeemable or otherwise, and to charge or secure the same by trust, deed, or otherwise, on the undertaking of the Company or upon any specific property and rights, present and future, of the Company (including, if thought fit, uncalled capital), or otherwise howsoever.

(d) To advance and lend money on assets of all kinds upon such terms as may be arranged.

(e) To facilitate and encourage the creation, issue, or conversion of debentures, debenture-stock, bonds, obligations, shares, stocks, and securities, and to act as trustees in connection with any such securities, and to take part in the conversion of business concerns and undertakings into companies.

(f) To take part in the formation, management, supervision, or control of the business or operations of any company or undertaking, and for that purpose to appoint and remunerate any directors, accountants, or other experts or agents.

(g) To employ experts to investigate and examine into the condition, prospects, value, character, and circumstances, of any business concerns and undertakings, and generally of any assets, property, or rights.

(h) To constitute any trusts with a view to the issue of preferred and deferred or any other special stocks or securities based on or representing any shares, stocks, or other assets specifically appropriated for the purposes of any such trust, and to settle and regulate, and, if thought fit, to undertake and execute any such trusts, and to issue, dispose of, or hold any such preferred, deferred, or other special stocks or securities.

(i) To transact or carry on all kinds of agency business, and in particular in relation to the investment of money, the sale of property and the collection and receipt of money.

(j) To give any guarantee in relation to the payment of any debentures, debenture-stock, bonds, obligations, or securities, and to guarantee the payment of interest thereon or of dividends on any stock or shares of any company.

(18) To perform or do all or any of the following operations, acts or things :-

(a) To pay all the costs, charges and expenses of the promotion and establishment of the Company.

(b) To sell, let, dispose of, or grant rights over all or any property of the Company.

(c) To borrow or receive on loan money for the purposes of the Company upon the security of cash credit bonds or of hypothecation or mortgages of the Company's stock-in-trade or property or any part or parts thereof or otherwise as shall be thought most expedient and in particular by the issue of debentures, debenture-stock, or bonds to bearer or otherwise either charged upon all or any part of the Company's present or future property (including uncalled capital) or not so charged as shall be thought best.

(d) To erect buildings, plant and machinery for the purposes of the Company.

(e) To make experiments in connection with any business of the Company and to protect any inventions of the Company by letters patent or otherwise.

(f) To grant licenses to use patents, copyrights, designs or secret processes of the Company.

(g) To manufacture plant, machinery, tools, goods and things for any of the purposes of the business of the Company.

(h) To draw, accept, and negotiate bills of exchange, promissory notes and other negotiable instruments.

(i) To underwrite the shares, stock or securities of any other company and to pay underwriting commissions and brokerage on any shares, stock or securities issued by this Company.

(j) To enter into arrangements for joint working in business or for sharing profits or for amalgamation with any other company, firm, or person carrying on business within the objects of this Company.

(k) To promote companies.

(l) To sell the undertaking and all or any of the property of the Company for cash or for stock shares or securities of any other company or for other consideration.

(m) To pay for any lands and real or personal, immovable and movable estate or property or assets of any kind acquired or to be acquired by the Company or for any services rendered or to be rendered to the Company and generally to pay or discharge any consideration to be paid or given by the Company in money or in shares or debentures or debenture-stock or obligations of the Company or partly in one way and partly in another or otherwise howsoever with power to issue any shares either fully or partly paid up for such purpose.

(n) To provide for the welfare of persons employed or formerly employed by the Company or any predecessors in business of the Company and the wives, widows and families of such persons by grants of money or other aid or otherwise as the Company shall think fit.

(o) To subscribe to or otherwise aid benevolent charitable national or other institutions or objects of a public character or which have any moral or other claims to support or aid by the Company by reason of the locality of its operations or otherwise.

(p) To distribute in specie assets of the Company properly distributable amongst its members.

(19) To do all or any of the things hereinbefore authorised either alone or in conjunction with or as factors, trustees, secretaries or agents for others or by or through factors, trustees or agents.

(20) To insure any servants of the Company in respect of risk, accident or fidelity in the course of their employment by the Company and to effect insurance for the purpose of indemnifying the Company in respect of claims by reason of any such risk, accident or fidelity and to pay premiums on any such insurance.

(21) To do all such other things as shall be incidental or conducive to the attainment of the objects abovementioned or any of them or any one or more of the objects aforesaid it being hereby declared that in the foregoing clauses unless a contrary intention appears, the word 'Company' includes companies or corporations and the word 'person' any number of persons and that the other objects specified in any paragraph are not to be limited or restricted by reference to or inference from any other paragraph.

C. SHARES

4. ISSUE OF SHARES

(1) The Board may issue such shares to such persons as it considers appropriate, 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 shall approve terms of issue which set out the rights and obligations attached to those shares.

(2) Before it issues shares, the Board shall decide the consideration for which the shares may be issued. The consideration shall, in the opinion of the Directors, be fair and reasonable to the Company and to all existing shareholders.

(3) Where the Company issues shares which rank equally with or above existing shares in relation to voting or distribution rights, those shares shall be offered to the holders of the existing shares in a manner which would, if the offer is accepted, maintain the relative voting and distribution rights of those shareholders.

(4) The said offer shall remain open for acceptance for a reasonable time and, if not expressly accepted within such time, the offer shall be deemed to have been declined by the respective offeree holder. The Company may, at the time of making the said offer, request holders of the existing shares who desire an allotment of shares in excess of their respective proportions to state how many excess

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shares each such holder desires and if any holders of existing shares so decline to accept the whole of their respective proportions, the shares so declined shall first be allotted to those holders who desire an excess allotment in such numbers and in such manner as the Directors decide and thereafter may be allotted and issued to such other persons as the Directors consider it appropriate.

(5) 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 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.

(6) The provisions of paragraph 3 of this Article shall not apply to an issue of shares under paragraph 5 of this Article.

(7) The Company shall, on an issue of shares in terms of paragraph 5 (c) above, obtain approval therefor of the holders of shares whose voting and distribution rights would be affected thereby, by way of a special resolution.

(8) 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.

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 shall pay that amount on that date; or

(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 shall be made in accordance with that notice.

(2) Any amount not paid by the due date shall carry interest at a rate fixed by the Board. The Board may, at its discretion, waive payment of interest.

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(3) Joint holders of a share are jointly and severally liable for any payments to be made under paragraph (1) of this Article.

(4) The Company shall have a first charge or a paramount lien on every share to which paragraph (1) of this Article 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.

(5) For the purpose of enforcing such lien, 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 such notice.

(6) Upon any sale for enforcing a lien, the Board may appoint any person to execute an instrument of transfer of the shares sold, whereupon 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.

(7) The proceeds of a sale under paragraph (6) 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, if any, shall be paid to the person entitled to the shares, at the time of the sale.

6. SHARE REGISTER

(1) The Company shall maintain a share register, which complies with Section 123 of the Act. The share register shall 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 General of Companies in accordance with subsection (4) of Section 124 of the Act.

(2) The share register may be divided into two or more registers kept at different places, as maybe decided by the Board.

7. SHARE TRANSFER

(1) Where shares are to be transferred, an instrument of transfer in writing shall be executed by or on behalf of the transferor and transferee, or by their legal representative/s and delivered to the Company.

(2) The instrument of transfer may be in the usual or common form or any other form which the Directors may approve.

(3) The Directors may also require an instrument of transfer to:

(a) be accompanied by the certificate of shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and

(b) be in respect of only one class of shares.

(4) In no case shall the Directors be bound to inquire into the validity, legal effect or genuineness of any instrument of transfer produced by a person claiming a transfer of any share in accordance with these Articles; and whether they abstain from so inquiring or do so inquire and are misled, the transferor or transferee shall have no claim whatsoever upon the Company or the Directors, in respect of such share.

(5) The Directors may by such means they deem expedient authorise the registration of a transfer of shares without the necessity of any meeting of Directors for that purpose.

(6) 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 shall give notice of the refusal to the shareholder within one (1) week of the date of such resolution.

(7) The Directors may also decline to register a transfer of a share on which the Company has a lien.

(8) Notwithstanding any provision in the 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.

(9) Notwithstanding anything to the contrary in the Articles, as long as the shares of the Company are listed in 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 Depositary of the Colombo Stock Exchange.

8. TRANSMISSION OF SHARES

(1) Where a joint holder of a share dies, the remaining holder/s shall be treated by the Company as the holder/s of that share. Where the sole holder of a share dies, a person nominated by that shareholder in terms of Section 544 of the Civil Procedure Code or that shareholder's legal representative shall be the only person recognised by the Company as having any title to or interest in the share, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

(2) Any person who becomes entitled to a share as a consequence of the death, bankruptcy, 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 such entitlement. The Board may refuse to register a transmission under this Article in the circumstances set out in paragraphs (6) and (7) of Article 7 above.

9. JOINT SHAREHOLDING

The Company shall not register more than three persons as joint holders (including the principal holder) of any shares (except in the case of executors, administrators or heirs of a deceased member).

10. SHARE CERTIFICATES

(1) Where the Company issues shares or the transfer of any shares is entered on the share register, the Company shall within two (2) months complete and have ready for delivery a share certificate in respect of the shares.

(2) Where a share certificate is defaced, lost or destroyed it may be re-issued on payment of the cost of issue or such lesser sum and on such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses of the Company for investigating evidence as the Directors think fit.

11. PURCHASE OF OWN SHARES

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.

12. CONSOLIDATION AND SUB-DIVISION OF SHARES

(1) The Company may consolidate shares in the Company or the shares in a particular class of shares in the Company into a lesser number of shares, in proportion to those shares, leaving unaffected the relative voting and distribution rights of the holders of those shares, by following a procedure to effect such consolidation as the Board may consider appropriate.

(2) The Company may subdivide all of the shares in the Company or all of the shares in a particular class of shares in the Company into a greater number of shares, in proportion to those shares, leaving unaffected the relative voting and distribution rights of the holders of those shares, by following a procedure to effect such subdivision as the Board may consider appropriate.

13. DISTRIBUTIONS AND RESERVES

(1) The Company may make distributions to shareholders in accordance with Section 56 of the Act. The Board shall be satisfied that the Company shall immediately after the distribution satisfy the solvency test. The Directors who vote in favour of the distribution shall sign a certificate of their opinion to that effect.

(2) The Company shall be deemed to have satisfied the solvency test if-

(a) it is able to pay its debts as they become due in the normal course of business; and

(b) the value of the Company's assets is greater than-

(i) the value of its liabilities; and

(ii) the Company's stated capital.

(3) Except in the case where a distribution is a final dividend, the approval of the shareholders by an ordinary resolution or otherwise shall not be required before a distribution, including an interim dividend.

(4) The profits of the Company shall be distributable and divisible among the shareholders in proportion to the capital paid or credited as paid on the shares held by them respectively, subject to:

(a) the rights of holders of shares issued upon special conditions; and

(b) any arrangements that may be made by the Company to the contrary; and
(c) shares not fully paid up; and
(d) any special arrangement made as regards money paid in advance of calls; and
(e) the provisions of these Articles as to reserve funds.

(5) Before the Directors make any distributions, they may set aside, out of the profits of the Company, such sum as they think proper as a reserve fund or funds.

(6) The Directors may divide the reserve fund or funds into such special funds as they think fit, with full power to employ the assets constituting the reserve fund in the business of the Company for any purpose which they may from time to time deem expedient and without being bound to keep such assets separate from the other assets of the Company. The Directors may also carry forward any profits which they may deem it not prudent to divide.

(7) The Board may decide to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve funds/accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly to set free such sum for distribution amongst the shareholders who would have been entitled thereto if distributed by way of dividend and in the same proportions, on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such shareholders respectively or paying up in full, shares or debentures of the Company to be allotted, issued and distributed, credited as fully paid up to and amongst such shareholders in the proportion aforesaid, or partly in the one way and partly in the other.

(8) Whenever such a decision as aforesaid shall have been made, the Directors shall make all appropriations and applications of the undivided profits to be capitalised and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto.

(9) Subject to the provisions of Article 13(3), the Board may authorise a distribution by way of a dividend to be paid to the shareholders according to their rights and interests in the profits and may fix the time for payment. No dividend shall be payable out of the capital of the Company.

(10) Any dividend or interim dividend which may be authorised by the Directors, may be paid by means of cash or by the distribution of specific assets and, in particular, of paid-up shares, debentures or debenture stock of the Company or of any other company or in *specie* or in any one or more of such ways and where any difficulty arises in regard to the distribution, they may settle the same as they think expedient and in particular may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the Board.

(11) No shareholder shall be entitled to receive payment of any dividend or any allotment and issue of shares credited as fully paid up in respect of his share or shares whilst any moneys may be due or owing from him (whether alone or jointly with any other person) to the Company in respect of such share or shares or otherwise howsoever.

(12) No dividend shall bear interest against the Company.

(13) The Directors may deduct from the dividend payable to any shareholder all sums of money due from him (whether alone or jointly with any other person) to the Company and notwithstanding that such sums shall not be payable until after the date when such dividend is payable. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.

(14) Unless otherwise directed any dividend may be paid by cheque or warrant sent by post to the registered address of the shareholder entitled thereto or, in the case of joint-holders, to the registered address of the joint-holder whose name stands first on the register in respect of the joint-holding; but the Company shall not be liable or responsible for the loss of any such cheque or dividend warrant sent through the post.

(15) All dividends unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not

be constituted a trustee in respect thereof. All dividends unclaimed for six (6) years after having been declared shall be forfeited and shall revert to the Company.

(16) Every dividend payable in respect of any share held by several persons jointly may be paid to and an effectual receipt given by, any one of such persons.

D. MEETINGS OF SHAREHOLDERS

14. MEETINGS OF SHAREHOLDERS

(1) Written notice of the time and place of a meeting of shareholders (including a meeting where it is intended to propose a resolution as a special resolution) shall 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 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.

(b) not less than ten (10) working days before the meeting, in any other case.

provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:

(i) in the case of a meeting called as the annual general meeting, by all the shareholders entitled to attend and vote at such meeting; and

(ii) in the case of any other meeting, by the shareholders having a right to attend and vote at the meeting, being shareholders together holding shares which carry not less than ninety five *per centum* (95%) of the voting rights, on each issue to be considered and voted on at that meeting.

(2) The notice shall 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 intention, if any, to propose a resolution at such meeting and the text of such resolution to be submitted to the meeting.

Provided however, the business of, declaring a dividend, consideration of the annual report, the financial statements and the group financial statements, the election of Directors in place of those retiring or the appointment and the fixing of the remuneration of the auditors, which may be proposed at such meeting shall not be required to be specifically or separately set out in or referred to in such notice.

(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.

(5) Two (2) or more shareholders holding shares which carry not less than ten *per centum* (10%) of the votes which may be cast on an issue, may call a meeting to consider and vote on that issue only in accordance with the provisions of Section 134 of the Act.

15. METHOD OF HOLDING MEETINGS

A meeting of shareholders (including a meeting where it is intended to propose a resolution as a special resolution) may be held by a number of shareholders who constitute a quorum, being assembled together at the place, date and time appointed for the meeting.

16. 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 present if three (3) shareholders are present in person or by proxy.

(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.

17. CHAIRPERSON

(1) The Executive Chairperson of the Board shall chair the Meetings of the Shareholders. If the Directors have not elected an Executive Chairperson, the Non Executive Co-Chairperson if elected by the Board shall chair the Meetings of the Shareholders. If the Directors have not elected either the Executive Chairperson or the Non Executive Co-Chairperson, the Directors present at the Meetings of Shareholders may choose one (01) of their number to be the Chairperson of such Meetings.

Special Resolution passed at EGM on 15/09/2014

(2) If the elected Executive Chairperson of the Board is excused or not present at a Meeting of Shareholders within fifteen (15) minutes after the time appointed for the commencement of a Meeting, the elected Non Executive Co-Chairperson of the Board, if present, shall be the Chairperson of such Meeting. If both the Executive Chairperson and the Non Executive Co-Chairperson are excused or not present at a Meeting of the Shareholders, within fifteen (15) Minutes after the time appointed for the commencement of the Meeting, the Directors present may choose one (01) of their number to be the Chairperson of such Meeting.

Special Resolution passed at EGM on 15/09/2014

18. VOTING

(1) Voting at a meeting of shareholders held under Article 15 above shall, unless a poll is demanded, be by a show of hands.

(2) A declaration by the chairperson of the meeting that a resolution is carried by the requisite majority or lost, is conclusive evidence of that fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution, unless a poll is demanded in accordance with paragraph (3) of this Article.

(3) At a meeting of shareholders, a poll may be demanded by —

(a) the chairperson; or

(b) not less than five (5) 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.

(4) A poll may be demanded either before or after the vote is taken on a resolution. However, the demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

(5) If a poll is taken, votes shall be counted according to the votes attached to the shares of each shareholder present and voting.

(6) The chairperson of a shareholders' meeting is not entitled to a casting vote.

(7) No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered, and every vote to which no objection shall be made at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.

19. 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 shall be appointed by notice in writing signed by the shareholder. The notice shall 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 forty eight (48) hours before the start of the meeting.

(5) An instrument of proxy shall be in the following form or a form as near thereto as circumstances permits:-

"Hayleys PLC".

"I/We……. of ……..being a shareholder/shareholders of Hayleys PLC hereby appoint…….. of ……. or failing him ……..as my/our proxy to attend and vote at the (Annual or Extraordinary as the case may be) General Meeting of the Company to be held on the……day of ……. 20..…and at any adjournment thereof.

Signed this…… day of ……...20……."

(6) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the registered office before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.

20. MINUTES

(1) The Board shall ensure that minutes are kept of all proceedings at meetings of shareholders.

(2) Minutes which have been signed by the chairperson of the meeting at which the proceedings were had, or by the chairperson of the next succeeding meeting, shall be *prima facie* evidence of such proceedings.

21. 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.

22. VOTES OF JOINT HOLDERS

Where two 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. Where there are several executors or administrators of a deceased shareholder in whose sole name any shares stand, any one of such executors or administrators may vote in respect of such shares unless any other of such executors or administrators is present at the meeting at

which such a vote is tendered and objects to the vote. The vote in relation to such shares in any matter shall be accepted only if all of such executors or administrators agree thereto

23. LOSS OF VOTING IF CALLS UNPAID

If a sum due to a Company in respect of a share has not been paid, no vote shall be cast in relation to that share at a shareholders' meeting other than a meeting of a group of shareholders whose affected rights are identical and whose rights are affected by the action or proposal in the same way.

24. ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETINGS OF SHAREHOLDERS

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

(a) once in each calendar year;

(b) not later than six (6) months after the balance sheet date of the Company; and

(c) not later than fifteen (15) months after the previous annual general meeting; and

such meeting shall be held on the date on which it is called to be held.

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

(3) A resolution in writing (whether ordinary or special other than a resolution requiring special notice in terms of the Act) 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. Any such resolution may consist of more than one document in like form; each signed or assented to by one or more shareholders and may be transmitted to the Company, by facsimile, email or other similar means of communication. A copy of any such resolution shall be entered in the minute book kept for the purpose of entering the minutes of general meetings of the Company.

(4) Within five (5) working days of a resolution being passed under paragraph (3) of this Article, the Company shall send a copy of the resolution to every shareholder who did not sign it.

(5) A resolution may be passed under paragraph (3) of this Article without any prior notice being given to shareholders.

25. 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.

26. SHAREHOLDERS ENTITLED TO RECEIVE NOTICE, ATTEND AND VOTE AT MEETINGS, TO DISTRIBUTIONS, TO EXERCISE PRE-EMPTIVE RIGHTS AND TO OTHER RIGHTS STIPULATED BY LAW OR THESE ARTICLES.

(1) The shareholders who are entitled to receive notice, attend and vote at meetings for any purpose, to distributions, to exercise pre-emptive rights and to other rights stipulated by law or the Articles, shall be those shareholders who, on the date fixed by the Board for such purpose in accordance with paragraph (2) below, are registered in the share register on that date.

(2) Subject to any provisions of the rules and regulations in force for the time being and from time to time, of a licensed Stock Exchange, a date fixed under paragraph (1) of this Article should not precede by more than thirty (30) working days, the date on which the shareholders become entitled to receive their rights morefully set out in paragraph (1) above.

(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 on the date fixed under paragraph (1) of this Article.

(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) such person has, since the date on which the shareholders entitled to receive notice of the meeting were determined, transferred any of his shares to another person; and

(b) the transferee of those shares has been registered as the holder of those shares, and has requested two days 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 on any date prior to two (02) working days of the date scheduled for the meeting of shareholders, at the registered office of the Company.

E. DIRECTORS AND SECRETARY

27. APPOINTMENT AND REMOVAL OF DIRECTORS

(1) Unless otherwise determined by ordinary resolution of the shareholders of the Company, the number of Directors shall not be less than three (3) and not more than fourteen (14). Special Resolution passed at EGM on 29/06/2011

(2) The Directors 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 addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with (1) above. Any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation at such meeting.

(3) A Director may be appointed or removed by ordinary resolution passed at a meeting called for that purpose or by a written resolution in accordance with paragraph (3) of Article 24. The shareholders may only vote on a resolution to appoint a Director if-

(a) the resolution is for the appointment of one (1) Director; or

(b) the resolution is a single resolution for the appointment of two (2) 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.

(4) A Director may, if he is unable to attend to his duties as a Director, by notice in writing under his hand to the registered office of the Company or by notice sent by facsimile transmission, appoint any person to be an alternate director of the Company to act for him for a period as may be determined by such Director and at any time remove the alternate director so appointed.

(5) A Director appointed by another Director to be his alternate director shall thereupon be entitled to exercise (in addition to his own right of voting as a Director) such appointer's rights at meetings of the Board. A person may act as an alternate director for more than one Director.

(6) A person appointed as an alternate director shall not be required to hold any share qualification.

(7) 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 Directors and to attend and vote as a Director, at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointer as a Director in the absence of such appointer.

(8) An alternate director may be appointed for a specified period or until the happening of a specified event but he shall *ipso facto* cease to be an alternate director if his appointer ceases for any reason to be a Director.

(9) 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.

(10) The office of Director shall, *ipso facto*, be vacated in the instances specified in the Act or if —

(a) all the other Directors request the Director, in writing, to resign from office;

(b) if the Director is absent from three (03) consecutive meetings of the Board, without special leave of absence and the Board resolves that his office is vacated.

(c) If the Director retires from office under Article 29.

(11) The continuing Directors may act notwithstanding any vacancy in the Board; but so that if the number of Directors falls below the minimum above fixed, the remaining Directors or Director shall act only for the purpose of appointing a Director or Directors to fill one or more of the vacancies.

28. EXECUTIVE DIRECTORS AND MANAGING DIRECTOR OR CHIEF EXECUTIVE

Special Resolution passed at EGM on 15/09/2014

(1) A Director who is employed by the Company shall be an executive director and 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.

(2) The Board may from time to time appoint an executive director as Managing Director or Chief Executive for such period and on such terms as it thinks fit and subject to the terms of a Managing Director's or Chief Executive's appointment, may at any time revoke such appointment.

(3) Subject to any conditions or restrictions which the Board considers appropriate, the Board may delegate to the Managing Director or Chief Executive, 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 or Chief Executive does not prevent the exercise of the power by the Board, unless the terms of the delegation expressly provide otherwise.

(4) The Managing Director or Chief Executive 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 Managing Director or Chief Executive shall cease to hold office as Managing Director or Chief Executive, if he ceases to be a Director of the Company.

29. ROTATION OF DIRECTORS

(1) At every Annual General Meeting of the Company, one-third (1/3) of the Directors, or if their number is not three (3) or a multiple of three (3), then the number nearest to but not exceeding one-third (1/3), shall retire from office, provided however that the Managing Director or Chief Executive referred to in Article 28 shall not, whilst holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors.

Special Resolution passed at EGM on 15/09/2014

(2) The Directors to so retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall unless they otherwise agree among themselves, be determined by lot.

(3) A retiring Director shall act as a Director throughout the meeting at which he retires and shall be eligible for re-election.

(4) The Company at the meeting at which a Director retires in the manner aforesaid may fill the vacated office by electing a person thereto, and in default the retiring Director shall be deemed to have been re-elected unless:

a) at such meeting it is expressly resolved not to fill such vacated office or

b) unless a resolution for re-election of such Director shall have been put to the meeting and lost, or

c) such Director has given notice in writing to the Company that he is unwilling to be re-elected.

(5) No person other than a retiring Director shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a member has at least seven (7) clear days before the meeting left at the office a notice in writing under his hand, signifying his intention to propose such person for election accompanied by a notice in writing, signed by the person of his willingness to be elected.

(6) The Company in General Meeting may at any time or times alter the rotation in which the Directors are to go out of office.

30. POWERS AND DUTIES OF DIRECTORS

(1) Subject to Section 185 of the Act which relates to major transactions and the provisions contained therein, 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 any person it deems fit, 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 shall act in good faith and in what he believes to be the best interest of the Company; and

(b) no Director shall act or agree to the Company acting, in a manner that contravenes any provisions of the Act or the Articles.

31. METHOD OF CONTRACTING

(1) The Company may enter into contracts or other enforceable obligations in accordance with the provisions set out in section 19 of the Act.

(2) Such contracts or other enforceable obligations, may be entered into on behalf of the Company by the affixing of its common seal in the presence of two or more Directors, or of one Director and the secretary who shall attest the sealing thereof: such attestation on the part of the of the secretary, in the event of a firm or registered company being the secretary being signified by a partner or duly authorised 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 the manner set out herein.

32. ATTORNEY

The Company may, from time to time, appoint any person as its attorney for such purposes and with such powers, authorities and discretions and for such periods and subject to such conditions as the Company may from time to time think fit.

33. DIRECTORS INTEREST IN CONTRACTS

(1) A Director who is interested in a transaction to which the Company is a party shall 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;

(b) 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 is not deemed to be 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 shall 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, shall not—

(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 / or 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 that transaction.

34. DIRECTORS DEALINGS IN SHARES

A Director shall 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.

35. CONFIDENTIAL INFORMATION

(1) A Director who has information in his capacity as a Director or employee of the Company which would not otherwise be available to him, shall 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 (2) of this Article.

(2) A Director may disclose, make use of or act on information if—

(a) the Director is first authorised to do so by the Board under paragraph (3) of this Article; and

(b) particulars of the authorisation are entered in the interests register.

(3) The Board may authorise 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.

36. REMUNERATION OF DIRECTORS

(1) The Board may approve;

(a) the payment of any remuneration and/or the provision of other benefits by the Company to a Director for services as a Director or for services rendered to the Company in any other capacity.

(b) the payment by the Company to a Director or a former Director of compensation for loss of office,

(c) the entering into of a contract to do any of the above,

if the Board is satisfied that to do so is fair to the Company.

(2) The Company may by ordinary resolution also vote extra remuneration and / or other benefits to the Directors or to any Director as may be recommended by the Board for the performance of extra services to the Company.

(3) The Directors shall also be entitled to be repaid all traveling, hotel or other expenses properly incurred by them in or with a view to the performance of their duties including attendance at Board meetings.

(4) Nothing in these Articles shall prevent the payment to a Director of any further remuneration for services performed by him by virtue of any other office or position held by him in conjunction with his directorship.

37. PROCEDURE AT MEETINGS OF DIRECTORS

(1) Articles 37 to 43 set out the procedure to be followed at meetings of Directors.

(2) The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit.

(3) A Director or upon the request of a Director, the secretary or an employee of the Company may at any time, convene a meeting of the Board by giving notice in accordance with this Article.

(4) The Board may decide, from time to time, the time period for notice of meetings of the Board and the manner in which such notice is to be given to the Directors. Unless otherwise decided, not less than twenty four (24) hours notice of a meeting of the Board shall be given to every Director who is in Sri Lanka.

(5) 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.

38. CHAIRPERSON

(1) The Directors may elect two (02) of their number to be Co-Chairpersons of the Board and may determine the period for which they are to hold office. Special Resolution passed at EGM on 15/09/2014

(2) One of the Co-Chairpersons shall be the Chief Executive and will be designated as the "Executive Chairperson", and the other Co-Chairperson shall be Non Executive and designated as the "Non Executive Co-Chairperson".

(3) The Executive Chairperson, whenever present at a Meeting of the Board, shall be the Chairperson of that Meeting. If the Executive Chairperson is excused or not present within five (05) Minutes after the time appointed for the commencement of a Meeting of the Board, the Non Executive Co-Chairperson if present, shall be the Chairperson of that Meeting. If the Executive Chairperson and the Non Executive Co-Chairperson are excused or not present, at a Meeting of the Board within Five (05) Minutes after the time appointed for the commencement of the Meeting, the Directors present may choose one (01) of their number to be the Chairperson of the Meeting.

39. METHODS OF HOLDING MEETINGS

A meeting of the Board may be held either—

(a) by a number of the Directors who constitute a quorum being assembled together at the place, date and time appointed for the meeting; or

(b) by means of audio or audio and visual communication by which all persons participating and constituting a quorum can simultaneously hear and be heard throughout the meeting at a time appointed by notice in writing setting out a detailed agenda of the business to be transacted at the meeting accompanied by all documents relevant to that business.

40. QUORUM

(1) The Directors may fix the quorum necessary for the transaction of the business of the Directors and unless so fixed such quorum shall be three (03).

(2) No business may be transacted at a meeting of Directors if a quorum is not present.

41. VOTING

(1) Every Director has one (1) vote.

(2) The Chairperson of the Meeting has a casting vote.

Special Resolution passed at EGM on 15/09/2014

(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.

42. MINUTES

(1) The Board shall ensure that minutes are kept of all proceedings at meetings of the Board.

(2) Minutes which have been signed by the chairperson of the meeting at which the proceedings were had, or by the chairperson of the next succeeding meeting, shall be *prima facie* evidence of the proceedings.

43. CIRCULAR RESOLUTIONS

(1) A resolution in writing signed by all the Directors entitled to receive notice of a Board meeting, and assented to by a majority of the Directors, 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 more than one document in like form; each signed or assented to by one or more directors and may be transmitted to the Company, by facsimile, email or other similar means of communication.

(3) A copy of any such resolution shall be entered in the minute book of Board proceedings.

(4) A resolution assented to by a majority of the Directors entitled to receive notice of a Board meeting, at a meeting held in accordance with Article 39 (b) above shall, upon being reduced to writing by the person appointed to do so at such meeting, be as valid and effectual as if the same had been passed at a meeting of Directors held on the day on which and at the time at which the meeting was held and at the place where the Chairman was located during the course of that meeting.

Special Resolution passed at EGM on 17/12/2007

44. SECRETARY

(1) The Company shall at all times have a secretary.

(2) The Board may appoint the secretary for such term and on such conditions as it thinks fit and remove such secretary.

(3) The remuneration of the secretary shall be agreed to by the Board and the secretary.

(4) The secretary shall not be the sole Director of the Company or a corporation, the sole director of which is the sole Director of the Company.

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

F. ACCOUNTS AND AUDIT

45. ACCOUNTING RECORDS, FINANCIAL STATEMENTS, AUDITS ETC.

(1) The Board shall ensure that the Company keeps accounting records which —

(a) correctly record and explain the Company's transactions, including all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place and all sales and purchases of goods made by the Company;

(b) shall at any time enable the financial position of the Company to be determined with reasonable accuracy;

(c) shall enable the Board to prepare financial statements in accordance with the Act; and

(d) shall enable the financial statements of the Company to be readily and properly audited.

(2) The accounting records shall comply with subsection (2) of Section 148 of the Act.

(3) The Board shall ensure that within six (6) months after the balance sheet date of the Company, financial statements which comply with Section 151 of the Act and 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 (2) Directors or if the Company has only one (1) Director, by that Director.

(4) At every annual general meeting, the Company shall 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 re-appointment;

(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 re-appointed.

(5) The Board shall within six (6) 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 168 of the Act. The Board shall send a copy of the annual report to every shareholder not less than fifteen (15) working days before the date fixed for holding the annual general meeting of shareholders.

G. LIQUIDATION

46. CONVENING OF MEETINGS OF SHAREHOLDERS DURING WINDING UP.

During winding up, a meeting of shareholders may be convened by any contributory or by the continuing liquidators, as the case maybe, in terms of the Act by giving notice in the manner set out herein for convening an extraordinary general meeting.

47. 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.

H. MISCELLANEOUS

48. DOCUMENTS TO BE KEPT BY THE COMPANY

(1) The Company shall keep at its registered office or at some other place, notice of which has been given to the Registrar General of Companies, 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 copies of all resolutions passed by the shareholders within the last ten (10) years;

(c) an interests register;

(d) minutes of all meetings and copies of resolutions passed by Directors and Directors' committees within the last ten (10) years;

(e) certificates 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 communications to all shareholders or all holders of the same class of shares during the last ten (10) years, including annual reports prepared under Article 45(5). Special Resolution passed at EGM on 17/12/2007

(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 General of Companies may approve, by notice in writing to the Company.

49. 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 (5) 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.

50. 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 and/or courier. Any document or notice so sent is deemed to have been received by the shareholder on the day following the dispatch of a properly addressed and prepaid letter containing the document or notice.

(2) Any member whose registered address is not within Sri Lanka, may name an address within Sri Lanka which for the purpose of notice, shall be considered as his registered address.

(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 registered 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) Where notice is given by an advertisement, such advertisement, shall be published in Sinhala, Tamil and English national daily newspapers.

(6) A copy of every notice or document sent to all shareholders shall be sent to the auditor of the Company.

(7) For the purpose of this Article, the registered address of the shareholder shall be the address registered by such shareholder in the share register.

51. INSURANCE AND INDEMNITY

(1) The Company may indemnify a Director or employee of the Company or a related company in the circumstances specified in subsections (2) and (3) of Section 218 of the Act.

(2) The Company may effect insurance for a Director or employee of the Company or a related company in the circumstances specified in subsection (4) of Section 218 of the Act, with the prior approval of the Board.

For the purposes of this Article, the term 'Director" includes a former Director and the term 'employee' includes a former employee.

52. COMPLIANCE WITH THE RULES OF THE COLOMBO STOCK EXCHANGE AND THE CENTRAL DEPOSITARY SYSTEMS (PVT) LTD.

Notwithstanding anything to the contrary contained in the Articles, so long as the Company is listed on the Colombo Stock Exchange, the Company shall comply with the Rules of the Colombo Stock Exchange and the Central Depositary Systems (Pvt) Ltd, which shall be in force from time to time.

(Ends)