



## LEGAL TRANSLATION

The following represents an accurate translation from the Maldivian language (Dhivehi) to English Language of the Articles of Association of Island Aviation Services Limited.

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|  <b>CORREL COUNSELS</b> |                  |
| <b>ATTESTATION</b>   |                  |
| Certified as a true copy / translation of the original   |                  |
| Signature:              | Date: 22/01/2026 |
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## **ARTICLES OF ASSOCIATION OF ISLAND AVIATION SERVICES LIMITED**

### **Interpretation**

#### **1. In this Articles;**

“Company” is meant to mean Island Aviation Services Limited.

“Registration Number” is C-830/2007

“Registered Address” is Dar Al-Eiman Building

“Type of company” is limited liability

“Seal” is meant to mean the Seal of the Company.

“Secretary” is meant to mean the Company Secretary or the person appointed to carry out the duties of the Secretary.

“Directors” is meant to mean the Directors appointed as the Directors of the Company by the Government of the Republic of Maldives.

“Board” is meant to mean those Directors present at any given meeting of the Board of Directors or as circumstances permit to the quorum of Directors present at the meeting.

“Office” is meant to mean the registered Head Office of the Company.

### **Management**

2. The Company and the business of the Company shall be managed in accordance with the laws of the Republic of Maldives.
3. The business of the Company shall be as defined and those declared in the Memorandum of Association. The business of the Company shall be conducted under the direction of the Board of Directors.

### **Liability**

4. The Liability of the Government for all purposes shall be limited to the amount, if any, unpaid on the shares held by the Government.

### **Capital**

5. The authorised share capital of the Company is MVR 600,000,000, divided into 6,000,000 shares of MVR 100 each. The issued share capital at the time of incorporation is MVR 1,000,000 divided into 10,000 shares of MVR 100 each.
6. Any change to the capital of the Company, including an increase or decrease in the capital shall be effected by a special resolution by the Shareholders and in accordance with the Companies Act.

### **Powers to Borrow**

7. In the event the Company borrows a loan or a credit facility exceeding 20% of its capital, prior written consent from the Shareholders shall be obtained and a simple majority of the Board of Directors shall be required.



8. The Debentures and Bonds and other securities issued by the Company or which the Company intends to issue, shall be overseen by the Board of Directors.
9. The Board of Directors shall cause for the Company to maintain a register of mortgages, debentures and any other liability having a charge or any other interest on the assets of the Company in accordance with the Law. The Company shall abide by the laws relating to such security deeds.

#### **Shares**

10. All shares of the Company shall be Ordinary Shares and such shall be governed in accordance with the Memorandum and Articles of Association. The Company shall not provide financial assistance to purchase shares, and the Board of Directors shall maintain a shareholders' register upon issuance of share certificate.
11. Any changes to share structure or the rights attached to shares shall be made by a resolution of the Board, with the consent of the Shareholder.

#### **Call/s on Shares**

12. Subject to the terms of the allotment, the Board of Directors may make a call on any members in respect of any money unpaid on the shares held by them. The Directors shall further have the power to revoke or suspend such a call till further time to be determined by the Board.

#### **Contracts**

13. With the exception of Article 14 herein, all agreements entered into by the Company shall be in writing bearing the seal of the Company; or shall be signed by a signatory authorized by a resolution of the Board of Directors, or one or more members of the Board of Directors, or a person who is under normal circumstances authorized to sign such a document.
14. All agreements entered into by the Company for the everyday operations and management of the Company, cheques, promissory notes, documents, drafts, Bills of Exchange, documents of ownership change, documents for transactions of financial nature as permitted by the law, receipts, shall be signed endorsed and executed in accordance with the directions of the Board.
15. The Directors of the Company and/or employees of the Company shall disclose to the Company any interest in any agreement to be signed by the Company. Further such Director and/or employee shall not be Party to any negotiations relating to such transaction nor shall sign such an agreement.

#### **Board of Directors**

16. The members of the Board of Directors shall be appointed and removed from office with the advice of the President, for a Term in accordance with Law Number 3/2013 (Law of Privatization, Corporatization, Monitoring and Evaluation of Government Businesses).



17. The Board of Directors shall comprise of 9 members, 2 Executive Directors including the Managing Director and 7 Non-Executive Directors including the Chairman of the Board. The Board of Directors shall be accountable to Company shareholders and Privatization & Corporatization Board.

**Chairman**

18. The Chairman of the Company shall not hold any other position within the Company.

19. A Chairman shall be appointed to chair the Board of Directors. Chairman shall be appointed and removed from office by the Privatization and Corporatization Board.

**Duties of the Chairman**

20. Set the Agenda of the Board and execute its work to ensure the achievement of the Company's objectives.

21. Promoting the operations of the Company in accordance with its Article of Association.

22. Hold management and shareholders accountable when necessary and maintain a positive relationship between the shareholders and management.

23. Maintaining a positive relationship between the Board and the management.

24. Encourage the Board to perform their duties in the best interests of the Company.

25. Represent the Board at the Annual General Meeting.

26. Ensure Board of Directors are provided with appropriate training and information.

27. Ensure the Board is evaluated annually.

28. Promote adherence to corporate governance principles in the management of the Company and ensure compliance with applicable Corporate Governance Code.

**Managing Director**

29. The Managing Director shall be the chief executive officer of the Company, who shall be responsible for the day-to-day management of the Company and implementation of resolutions of the Board. Managing Director is a member of the Board. The Privatization and Corporatization Board shall appoint the Managing Director.

**Duties of the Managing Director**

30. Coordinating and managing all aspects of the Company's day-to-day operations in accordance with laws and regulations.

31. Submit to Board matters necessary for improving Company's operations, and implement all decisions approved by the Board.

32. Represent the Company as its chief executive officer in matters related to the Company's business and operations.

33. Perform all duties required by the Companies Act and regulations for the role of Managing Director.



34. Develop and submit annual plans and budgets to the Board and implement them upon Board approval. When developing these plans, the Managing Director must ensure that risks are properly assessed under various scenarios and present them to the Board.
35. The Managing Director shall attend all Board Meetings except where the Board instructs or permits the Managing Director to act otherwise. Managing Director shall further be accountable and answerable to the Board for any questions arising at proceeding of the Board.

**Duties of Non-Executive Directors**

36. Act in good faith to protect the Company's objectives and promote its best interests.
37. Make decisions independently, free from any external influences.
38. Thoroughly review documents submitted to the Board.
39. Formulate objectives of the Company and monitor management's progress in achieving them.

**Duties of Directors of Board**

40. Always work in the best interests of the Company and its shareholders.
41. Develop the Board of Directors' charter.
42. Establish and approve regulations, policies and other rules for managing Company affairs.
43. Oversee and monitor Company's governance matters.
44. Review of matters related to borrowing on behalf of the Company. Develop and implement robust policies regarding authorization of borrowing, mortgaging company assets as security for debts, and providing corporate guarantees for various debts, loans or credit facilities on behalf of the Company, and grant relevant permissions for the same.
45. Constitute and define the responsibilities and duties of Board committees required by this Articles of Association, Corporate Governance Code or any other law or regulation.
46. Establish Company's risk management system.
47. Appointment of the Company Secretary and determine remuneration.
48. No Director shall act in any manner that would have a conflict with their own business interest and that of the Company. Where a Director's personal business interest has conflict with that of the Company, such Director shall not be Party to any discussions or vote in a motion relating to such business.
49. A Director must not prioritize their personal interests or interests of those closely associated with the Directors over the interests of the Company.

**Vacancies in the Board**

50. The Directors shall vacate their office in the following circumstances;
  - (a) Where a member of the Board is removed from office due to reasons of incompetence



- (b) Where a member of the Board is removed from office due to unacceptable conduct.
- (c) Where a member of the Board is removed from office to be replaced by a more competent individual, with a view to strengthening the Board.
- (d) Where a member of the Board is removed by the Privatization and Corporatization Board or Where a member of the Board submits for resignation and is accepted by the Privatization and Corporatization Board.
- (e) Where a member of the Board is declared bankrupt or is unable to pay off the debts.
- (f) Where a member of the Board is of unsound mind.
- (g) Where appointed as a Director due to the position filled in the Company resigns from the Company.
- (h) Where a member of the Board does not attend 3 consecutive meetings of the Board without an acceptable reason.
- (i) Where a member of the Board expires.

**Powers of the Board of Directors**

**51.** The business of the Company shall be carried out under the advice of the Board of Directors.

The Board of Directors shall have the powers to exercise all powers given to the Company by the Memorandum and Articles of Association of the Company. No alteration of the Memorandum and Articles of Association shall invalidate any prior act of the Directors which would have been valid if the alteration had not been made.

**52.** In accordance with the powers vested in the Board of Directors by virtue of Article above and these Articles, the Board of Directors shall have the power to carry out the following;

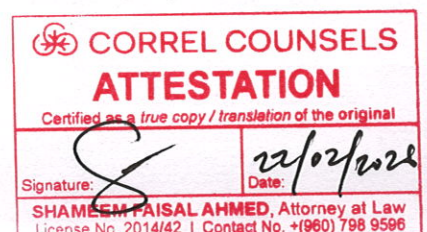
- (a) To prepare the strategic business plan of the Company in the long term interest of the members.
- (b) To determine the policies and activities to be carried out by the Company, with a view to gaining the maximum profit.
- (c) Regularly monitor the implementation of the long term plans, policies and other activities of the Company to ensure maximum benefit for the members of the Company.
- (d) Regularly monitor the financial situation of the Company to ensure financial credibility and instruct the Managing Director of steps to be taken for such financial credibility.
- (e) Repay the costs of incorporation and other such costs.
- (f) Purchase or acquire by any other means goods and services with conditions deemed appropriate by the Board of Directors.
- (g) Remunerate for services and goods acquired by the Company in monetary terms or by bonds or debentures or any other security as deemed proper by the Board of Directors.



- (h) Insure collectively or individually, the movable and/or immovable assets, machinery, buildings, land and other movable and/or immovable property of the Company, and further assign such insurance policies to other parties, suspend and/or terminate such policies.
- (i) Operate accounts of the Company in any bank or financial institution as deemed proper by the Board of Directors.
- (j) Assign the assets of the Company with conditions and remunerate such persons.
- (k) Sue on behalf of, and/or defend the Company in matters relating to financial and other transactions relating to the Company in any court of law or any other forum.
- (l) Issue releases and receipts for claims and/or demands for receivables of the Company.
- (m) Appoint authorized signatories on behalf of the Company to sign the agreements, cheques and other documents.
- (n) Invest unused credit of the Company in securities and sell and utilize such credit as deemed necessary by the Board of Directors.
- (o) Provide for financial and other benefit schemes for the employees of the Company.
- (p) Award bonus to the employees as permitted for by the Government.
- (q) Contribute in financial terms towards different national activities and causes, charities and other such institutions aimed at public benefit.
- (r) Set aside profits from the profit into depreciation, reserves, sinking or any other such special fund to be utilized for emergency, maintenance, or any other special purpose for the benefit of the Company.
- (s) Employ and/or terminate employment of, secretary/ies officers, clerks, employees, agents, advisors and consultants as deemed appropriate and determine their duties and remuneration on a permanent or part time basis.
- (t) Enter into, amend and/or terminate agreements and other transactions beneficial to the business of the Company for the attainment of the above, and participate in negotiations of such transactions.
- (u) Formulate regulations and procedures necessary for the management and business of the Company in accordance with the laws and this Articles of Association.
- (v) Dissolve, merge or incorporate subsidiaries or affiliated companies.

**Board Meetings**

**53.** In accordance with the Memorandum and Articles of Association the Board shall meet at least once monthly to deliberate upon the management of the Company and to plan for and give instructions about the future management and operations of the Company. Chairman shall preside over the Board proceedings.



54. The procedures governing the conduct of Board meetings shall be determined and an annual plan for Board meetings shall be established.

**Proceedings of the Board**

55. The Chairman shall convene a meeting of the Board where a Director submits a request to the Chairman or Secretary.

56. The Chairman of the Board of Directors shall chair meetings of the Board of Directors. No meeting of the Board shall proceed without Chairman or a Director appointed to chair the meeting as provided for in Article 57 herein.

57. Meetings of the Board of Directors attended by the Chairman shall be chaired by the Chairman. Where the Chairman is not in attendance within 30 minutes of the time scheduled to convene the meeting or where the Chairman objects to chair the meeting due to any reason whatsoever, the Directors present shall appoint one from amongst them to chair the meeting.

58. Resolutions of meetings of the Board of Directors shall be by a simple majority. In case of a tie the Chairman shall have a second or casting vote.

59. Minutes of the meeting shall be authenticated by the Board of Directors in attendance and the Company Secretary. Minutes authenticated as stated herein shall be true and correct without further evidence.

60. Resolutions of the Board of Directors shall be decided by simple majority. However, the following shall be decided by the unanimous decision of the Board;

- (a) Approval of the Annual Budget of the Company
- (b) Decisions regarding borrowing/s and/or lending/s of the Company.
- (c) Decisions affecting the financial structure of the Company and/or resolutions to wind up the Company.
- (d) Decisions to invest in any other company or other legal entity.
- (e) Issuance of credit, pre-payments and/or any other such transaction not ordinarily entered into by commercial standards.
- (f) Decisions to issue guarantee/s, indemnity/ies, loans, mortgages or security/ies not issued in the normal business transaction, over the assets of the Company.
- (g) Decisions to amend the Company structure, to amalgamate the Company with other, to recommend dissolution to the Government, to permit, prohibit or proceed with dissolution except as provided for by this Articles of Association.
- (h) Decisions to purchase, lease, acquire under a license or by other means, land and building/s or any other immovable property.
- (i) Decisions to sell, exchange, transfer property in, mortgage or release under a license or disperse by any other means, any immovable property of the Company.



- (j) Decisions to give power of attorney of the Company to any person.

**Notice of the Meetings of the Board of Directors**

61. At least 3-5 (three to five) days' clear notice of meetings of the Board of Directors shall be given in writing to all members of the Board. Such a notice shall specify the agenda, venue, date and time of the meeting. Where a meeting of the Board of Directors is called for on an urgent matter, noncompliance with the aforementioned notice period shall be permitted.

**Quorum of Board of Directors**

62. The quorum for a meeting of the Board of Directors shall be an additional one Director from half of their total number.

**Annual General Meeting**

63. The Company shall conduct Annual General Meeting once annually. A representative from Ministry of Finance and Privatization and Corporatization Board shall take part in the Annual General Meeting.
64. The following shall be considered and approved annually at the Annual General Meeting.
- (a) Annual Financial Statement of the Company
  - (b) Annual Report of the Board of Directors.
  - (c) Declaration of dividends and the amount to be set aside as reserves.
  - (d) Appointment of Auditors and determining their remuneration.
  - (e) Termination of contracts where termination is required except for the contracts entered into for the everyday operations of the Company.
  - (f) Any amendment to the Memorandum or Articles of Association shall be resolved by the Board of Directors.
  - (g) Announcement of Board of Directors appointed and removed by the Government.
65. The Auditors Report for the financial year shall be submitted to Annual General Meeting held in accordance with Article 63 herein.
66. The following shall be deliberated at an Extra-ordinary Meeting of the Board of Directors held for the purposes. All documentation relating to the deliberations shall be submitted to the Ministry of Finance and Treasury within 15 days of the meeting;
- (a) Decisions to alterations to the authorized and/or issued share capital and decisions to issue additional shares.
  - (b) Decisions to declare interim dividends.
  - (c) To capitalize any amounts set aside as reserves.

**Notice of the Annual General Meeting**

67. At least 14 (fourteen) days' clear notice of Annual General Meeting shall be given in writing to all members and shareholders of the Company
68. Such a notice shall specify the agenda, venue, date and time of the meeting.



### **Extra Ordinary or Emergency Meeting**

69. The same procedure followed by the Board of Directors Meetings shall be followed. However, non-compliance of notice period is permitted.

### **Voting**

70. Decisions of the Board shall be made by a majority vote of the Directors present. Unless otherwise decided, voting shall be conducted verbally.

71. Notwithstanding Article 70, the Chairman shall only cast a vote in the event of a tie.

### **Board Committee**

72. Board committees shall be comprised to enhance the work of the Board, including evaluating and advising the Board.

73. Except for the Chairman and Managing Director, all Board Committees shall comprise non-executive Directors.

74. An Audit Committee shall be established as a mandatory committee. The terms of reference for all committees shall be approved by Board resolution. In the event any other Board committee is constituted, terms of reference shall be resolved by the Board and shall be submitted to the Privatization and Corporatization Board for approval.

### **Company Secretary**

75. Company Secretary shall be appointed by the Board of Directors for qualifications and remuneration deemed fit by the Board of Directors. Directors may remove such appointed Company Secretary.

### **Duties of Company Secretary**

76. Ensuring Company compliance with all applicable laws, regulations and resolutions of the Board, and facilitating Board meetings accordingly.

77. Preparing meeting minutes for all meetings of Board of Directors, authenticating them and maintaining them.

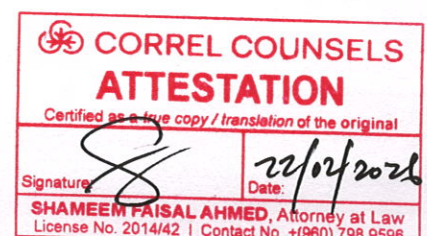
78. Maintaining all records of Board of Directors, Auditors and other positions within the Company in accordance with applicable laws and regulations.

79. Maintaining records of decisions made by the Board of Directors and committees.

80. Evaluating the implementation of Corporate Governance Code in the Company.

81. Sending attendance records of the Board of Directors to relevant authorities within the required timeframe.

82. Providing information to the Board of Directors regarding applicable regulations, Corporate Governance Code and relevant laws, when inquired.



### **Salary**

83. The remuneration of the members of the Board of Directors and the Managing Director shall be decided by the Government.

### **Seal**

84. The Board of Directors shall provide for safe custody of the Company Seal which shall only be used with the authority of the Board. The Board shall further determine who shall sign any instrument bearing the Company Seal. Unless otherwise decided by the Board of Directors such instrument shall bear the signature of two Directors.

85. The Board may authorize usage of the Seal abroad by a Director, where deemed necessary by the Board.

### **Dividends**

86. Dividends shall only be declared and/or distributed from the profit.

87. Dividends shall be declared and distributed as follows;

- (a) Dividend declarations shall be announced at the Annual General Meeting in accordance with the State-Owned Enterprises Dividends Policy.
- (b) A portion of profits may be allocated to reserves as determined by the Board, to be used for business expansion or other purposes as resolved by the Board.

### **Registers**

88. The following shall be available at the Company's office at all times;

- (a) Register of charges containing the details of charges over movable and/or immovable property of the Company.
- (b) Register detailing disclosed interests of Directors, employees and other officials of the Company.
- (c) Register of contracts and agreements entered into by the Company including decisions for appointments of agents.
- (d) Register of Directors and the Company Secretary bearing their full names and addresses.

### **Accounts**

89. The financial year of the Company shall be from 1<sup>st</sup> of January every year till the 31<sup>st</sup> of December of the same year. The first financial year of the Company shall conclude on the 31<sup>st</sup> of December 2000.

90. The Board of Directors shall cause for the proper books of account detailing the following to be maintained in accordance with the directions of the Audit Office at the registered office of the Company or any other place deemed suitable by the Board;



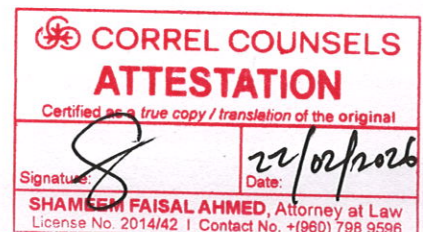
- (a) All sums of money received and expended and matters in respect of which the receipt and expenditure take place.
  - (b) Details of assets purchased or dispersed by the Company.
  - (c) All books of account including general ledgers, assets register, profit and loss account and balance sheet.
91. The Board of Directors shall make available the company accounts and all other information required by the competent authorities of the Government.
92. The Board of Directors shall annually consider the annual financial statements of the Company including the Directors Report and summary of the Balance sheet including the assets and liabilities. Where the accounts are for the first financial year, the accounts shall be from incorporation till the end of the year.
93. The annual financials shall bear the signature of two Directors and shall contain the Auditors Report. The Annual accounts containing the Auditors Report shall be submitted to the Ministry of Finance and Treasury and to the Audit Office before the 30<sup>th</sup> of May of the current year.

#### **Audit**

94. The Board shall appoint a competent chartered accountant as the Auditor of the Company. The auditor/s so appointed shall remain in office till the new auditor/s are appointed as provided for in Article 63 herein.
95. The Auditor/s shall prepare and confirm annually a balance sheet portraying the actual and true financial status of the Company.
96. Notice shall be sent to the Auditor/s where any accounts prepared by them are submitted at the meeting of the Board of Directors and shall be entitled to attend any such meeting to provide details of such accounts.
97. Audited Accounts deliberated upon by the Board shall be final upon the lapse of 3 calendar months of approval. Where an error is found within the said 3 months period, it shall be adjusted and a qualification of the error shall be given by the Auditor/s. Where an error is discovered after the lapse of the said 3 months such error shall be adjusted in the forthcoming annual financials.

#### **Documents requiring annual submission**

98. The following shall be submitted to the Ministry of Finance and Treasury within 15 days after the Board Meeting held in accordance with Article 65 herein;
- (a) Annual Financials of the Company.
  - (b) Minutes of the Meeting.



### **Corporate Governance Code**

99. The Company and the Board of Directors shall comply with the Corporate Governance Code approved by the Privatization and Corporatization Board in managing the Company and formulating policies related to such.

### **Transparency and Disclosure**

100. Except for maintaining confidentiality of Company business secrets, all company matters shall be handled transparently.

101. Key Company activities, initiatives and other relevant information shall be published on the Company's official website.

### **Dissolution**

102. The Company shall be dissolved by a resolution of Privatization and Corporatization Board, endorsed by the Board of Directors, and by a special resolution of the Shareholders.

### **Appointment of a Liquidator**

103. Upon endorsement of the dissolution of the Company by Board of Directors, a liquidator with qualifications specified in Companies Act shall be appointed. Liquidator shall fulfil responsibilities as per the Companies Act. Company shall have the right to appoint and remove Liquidator in accordance with the Companies Act.

### **Amendments to the Memorandum and Articles of Association**

104. The Memorandum or Articles of Association shall be amended by the approval of the Board of Directors of the Company followed by a special resolution of the shareholders of the Company.

On behalf of the Government of the Republic of Maldives

(Signature)

Hussain Sham Adam

Minister of State for Finance and Planning

5<sup>th</sup> October 2025

