

SALES CONTRACT

No. 07/VILC-THT/2022
Date: 23rd December 2022 ✓

BUYER: **VIETNAM INTERNATIONAL LEASING CO., LTD.** ✓
Room 902 Centec Tower, 72-74 Nguyen Thi Minh Khai St., Vo Thi Sau Ward, Dist. 3,
HCMC, Vietnam.
Tel: (84-28) 38232788 Fax: (84-28) 38232789
Represented by: Mr. CHO SOO CHEOL - General Director

SELLER: **HISAKA WORKS, LTD.**
2-1-48, Higashi-Konoike Cho, Higashi-Osaka City, Osaka 578-0973, Japan
Tel: 81-72-966-9631
Represented by: Mr. NORITOSHI SUKEISHI - Director

END USER: **TRAN HIEP THANH TEXTILE CORPORATION**
Road Number 7, Trang Bang Industrial Park, Km32, An Tinh ward, Trang Bang Town, Tay
Ninh Province, Vietnam
Tel: (84-276) 3886699
Represented by: Mr. TRAN QUOC DAT - General Director

The Seller agrees to sell and the Buyer, the End User agree to buy hereinafter commodities/ machines under the following terms and conditions:

ARTICLE 1: COMMODITIES, QUANTITY AND PRICE

No	Description	Q'ty	Unit price (JPY)	Amount (JPY)
1	High Pressure Rapid Jet Dyeing Machine, Hisaka brand, model CUT-SP-2L	01 completed set	30,000,000.00	30,000,000.00
2	CUT-SP-2L Supervisor fee	1 set	1,900,000.00	1,900,000.00
Total (CIF Cat Lai port in Ho Chi Minh city, Vietnam)				31,900,000.00

In words: Japanese yens thirty one million and nine hundred thousand only.

Price: CIF Cat Lai port in Ho Chi Minh city, Vietnam in accordance with INCOTERMS 2020. The total contract price excludes the foreign contractor's tax on the amount arising in Vietnam because of implementing this contract. The Buyer shall pay this tax amount to the authority of Vietnam on behalf of the Seller.

Accessories and technical specifications: details as per Annex 01 as an integral part of this contract.

Manufacturer: HISAKA WORKS, LTD.

Year of manufacture: 2022

Quality: 100% new

Origin: Japan

Packing: The commodities shall be shipped in export seaworthy standard packing in container ensuring full safety for the commodities against any damage or corrosion during their transportation.

ARTICLE 2: SHIPMENT

2.1 Time of shipment: within 240 days from the LC issuing date.

- 2.2 Partial shipment: Not Allowed
2.3 Transshipment: Not Allowed.
2.4 Loading port: any port in Japan.
2.5 Discharging port: Cat Lai port in Ho Chi Minh city, Vietnam.
2.6 Shipment advice: Within 05 days after the B/L date, the Seller must notify by email to the Buyer (nttha@vinalasing.com) and the End User (tuyenptb@thttextile.com.vn) of B/L date and B/L number, description of the commodities, invoice value and vessel details.

ARTICLE 3: PAYMENT

3.1 The Buyer shall open an irrevocable LC for 100% contract value in favor of the Seller within 10 days after signing this contract. The L/C issuing bank is Vietcombank, HCMC branch, swift code: BFTVVNVX007, in which:

3.1.1. 95% contract value (JPY 30,305,000.00) payable at sight of the shipping documents listed at Article 3.4.

3.1.2. 5% contract value (JPY 1,595,000.00) shall be paid against the Seller's presentation of Technical Acceptance Protocol signed by all the three parties under this contract. The Technical Acceptance Protocol must be signed by all parties within 90 days after the B/L date and state that the commodities operate well at the End User's factory. If the Technical Acceptance Protocol has not been signed within 90 days after the B/L date, and /or not presented to the Seller's Bank before the LC expiry date, the LC is automatically closed. The Buyer shall be released from its payment obligation and the LC balance of JPY 1,595,000.00 shall be paid by TT by the End User after acceptance. However, the ownership over the commodities still belongs to the Buyer.

3.2 The Seller's bank details for LC issuing:

Beneficiary:	HISAKA WORKS, LTD.
Address:	2-1-48, Higashi-Konoike Cho, Higashi-Osaka City, Osaka 578-0973, Japan
Beneficiary's Bank:	MIZUHO BANK LTD. OSAKA-CHUO BRANCH
Address bank:	3-6-13, KITAHAMA, CHUO-KU, OSAKA, 541-0041, JAPAN
Swift code:	MHCBPJT
Account No.	0130530

3.3 All banking charges incurred outside the Buyer's country shall be borne by the Seller, all banking charges incurred inside the Buyer's country shall be borne by the Buyer.

3.4 Documents presented to the Seller's bank by the Seller within 14 days after the B/L date includes:

- Signed commercial invoice for 100% shipment value issued by the Seller in 03 originals.
- 3/3 original and clean "shipped on board" Bill of Lading (B/L) marked "Freight prepaid" made out to order of the issuing Bank, showing L/C number and notifying the Buyer with full name and address and tax code 0301465369. B/L must showing name, address, telephone of agent of carrier in Vietnam, and HS code. B/L must indicate 14 free days of demurrage and 7 free days of detention at the discharging port.
- Detailed packing list issued by the Seller in 03 originals stating description of commodities, quantity, net weight, gross weight and measurement of each package.
- Certificate of Origin issued by Chamber of Commerce in Japan in 01 original and 02 copies.
- Certificate of Quality issued by Manufacturer in 02 originals.
- Marine insurance policy endorsed in blank (in 02 originals) covering 110% of full invoice value with term "All risks" and "Transshipment risks" extended to risks at temporary storage at the discharging port of destination for 60 days after arrival and showing a claims settling agent in HCMC, Vietnam.
- Technical catalogue issued by Manufacturer in 02 originals.

- The Seller's confirmation letter in 01 original stating that 01 set of non – negotiable shipping documents has been sent to the Buyer by courier within 5 days after the B/L date. Courier receipt in 01 original is required.

ARTICLE 4: CONTRACT CANCELLATION / PENALTY

- 4.1 If the Seller delays delivering the commodities under the contract in due time that is mentioned in Article 2 which is caused due to Seller's responsibility beyond Force Majeure, the Buyer shall be entitled to cancel the contract or reduce the price payable under the present contract. Such reduction shall be 0.5% of the contract value for one full week of delay but total of penalty will not exceed 5% of the contract value.
- 4.2 If the Seller fails to deliver the commodities for any reason beyond Force Majeure, the Seller shall compensate the Buyer 10% of the contract value.
- 4.3 The Seller guarantees the commodities are brand-new quality. The Seller acknowledges that if the commodities are confirmed as used quality by the competent authorities in Vietnam, the Buyer cannot import them according to the current Vietnamese law. In this case, the Seller shall pay back the Buyer all the amount received from the Buyer and the End User; and compensate the Buyer 10% of the contract value before the End User/ the Buyer ship the commodities back to the Seller with the Seller's expenses.

ARTICLE 5: IMPORT LICENCE

The End User shall be responsible for applying the import license to the Vietnamese competent authorities (if required by law) so that the Buyer can import the commodity according to the Vietnamese relevant law before signing this contract. In case the import is not allowed in Vietnam because the import license is not considered as proper by the customs authority, the End User agrees to handle all the problem, even do the export procedure to the Seller and pay back all the costs the Buyer has paid to the Seller.

ARTICLE 6: OWNERSHIP

The ownership over the commodities legally belongs to the Buyer as soon as the Buyer settles LC of 95% contract value. The ownership will be transferred to the End User as specified in Finance Lease Agreement No. 2022-00218-000 signed by the Buyer (Lessor) and the End User (Lessee).

ARTICLE 7: WARRANTY

The warranty period for the equipment, machines under normal working conditions will be 12 months from the date of Technical Acceptance Protocol. During the warranty period, if any defect and / or inherent fault are discovered, the End User shall notify the Seller of the defective or faulty parts provided. If these involve the Seller's or manufacturer's fault or responsibility, the Seller shall take prompt action (within 07 days) to remedy, repair, or replace the defective or faulty parts at his own expense, but if not the responsibility of the seller's or manufacturer's faults then the End User has to pay all related charges.

ARTICLE 8: CLAIMS

In case the commodities are not in conformity with specification, quantity, quality, packing condition, etc. as stipulated in the contract, the Buyer/the End User is entitled to have the commodities inspected by Vinacontrol Vietnam whose Survey Report shall be taken as final. All claims with regard to apparent and latent defects from Vinacontrol shall be made within 30 days after arrival of commodities at the port of destination. The claims will be confirmed in writing and sent to Seller with particulars of Survey Report of Vinacontrol Vietnam. The Seller has to settle such claims within 30 days from receipt of the Buyer's/ the End User's formal claim.

ARTICLE 9: ARBITRATION

Any disputes which may arise among the parties with regard to this contract or its implementation shall be settled amicably by negotiation. If no agreement can be reached, the dispute shall be finally settled by the Vietnam International Arbitration Centre at the Vietnam Chamber of Commerce and Industry (VIAC) in Vietnam under the Law of Vietnam, or in the Seller's country under the Law of Seller's country which shall be decided by the prosecutor. The award of the Arbitration Center shall be final and binding upon both parties concerned. All fees for the arbitration shall be borne by the losing party.

The End User, at its own expense, shall undertake any necessary legal procedure on behalf of the Buyer in the course of arbitration.

ARTICLE 10: FORCE MAJEURE

Neither party shall be held responsible for failure or delay perform all or any parts of this contract due to flood, fire, earthquake, snowstorm, drought, hailstorm, hurricane, pandemic or any other events that are beyond the control of the affected party and could not reasonably be expected at the time of the conclusion of this contract or have been avoided or overcome by such party. However, the party whose performance is affected by the event of Force Majeure shall give a notice to the other party of its occurrence as soon as possible and a certificate or a document of occurrence of the Force Majeure event issued by the relative authority or a neutral independent third party shall be sent to the other party not later than 30 days after its occurrence.

If the event of Force Majeure event continues for more than 180 days, the parties shall negotiate the performance or the termination of this contract, if within 7 months after the occurrence of the event of Force Majeure, the parties cannot reach an agreement, each party has the right to terminate this contract. In the case of such a termination either party shall bear its own counts, further claims for compensation in connection with the termination shall be excluded.

ARTICLE 11: GENERAL TERMS

This contract is related to Finance Lease Agreement No. 2022-00218-000. The End User shall be responsible for checking all the terms and conditions of this contract as well as the legality of the authorized signature and seal of the Seller. The Buyer shall be the last party to sign this contract and execute the payment term.

The parties undertake to execute strictly all articles of this Contract. Any amendment or addition to this Contract shall be made in writing after being mutually agreed by the parties.

This Contract is made in 03 English copies. Each party holds 01 copy of equal validity.

FOR THE BUYER

FOR THE END USER

FOR THE SELLER



CHO SOO CHEOL
General Director



GENERAL DIRECTOR
TRAN QUOC DAT

N. Sukeishi

Prepared	Checked	Approved	Approved
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	
29/12/22

ANNEX 01

(Attached to Sales Contract No.07/VILC-THT/2022)

TECHNICAL SPECIFICATIONS & ACCESSORIES PER 01 SET

A. TECHNICAL SPECIFICATION

Capacity : 240 – 300 kg
(Depends on the kind of fabrics)

Liquor quantity : 1800–2400 lit

Max. temperature : 140 °C

Max. pressure : 0.49Mpa (5 kg/cm²G)

Main material : SUS316 stainless steel (Highly Polished)

Machine operation side is Right Position

Consists of:

- 2-Dyeing autoclave including 100A - Bend type flow tube, Nozzle(SF80) with motor controlled by inverter to be synchronized with the fabric speed
- 1-Circulation pump with 30kw motor (Konpro Pump)
- 1-Heat exchanger with Filter (50-130°C 20min.)
- 1-Service tank (Capacity 200 lit) with automatic valves and level switch
- 1-Feed Pump with 1.5kw Motor which speed controlled by inverter
- 1- Plate Down type Fabric Take-out Reel (350mm dia.) with 0.75 kw Motor
- 1-Automatic valves for cold water filling, dirty discharge, rinsing and pressure control of dyeing autoclave
- 1-Liquor level controller with 4 points level switches
- 1-Seam Detector with digital
- Fabric stops at the seam automatically. Every fabric revolution time displayed in digital
- 1-Fully automatic control panel with SETEX787 HISAKA Controller
- Fully-auto thermo control of heating, keeping and cooling temperature as well as water filling, discharge, rinsing, pressure control done automatically in sequence via. automatic valves in accordance with the program memorized in microprocessor.
- 1-Automatic Fabric Speed Regulating Device by Inverter for Main Pump (30KW) stored in Noise/Heat-proof Box
- 1-Autoclave Cleaning Device by Low Liquor Level for saving Water, Steam, Chemicals as well as Cleaning Time

B. ACCESSORIES

1. Service tank (Capacity 200 lit) with automatic valves and level switch: 1 set
2. Hot Water Inlet Valve and Solenoid Valve: 1 set
3. SF Nozzle ϕ 90: 2 Pieces
4. Flowmeter for Water filling: 1 piece
5. Flowmeter for Steam: 1 set
6. Electricity meter: 1 set

Remarks

The test run period by HISAKA S/V shall be 5 days.

The acceptance protocol shall be signed by all the three parties as soon as the commissioning is complete. However, this does not apply if the period is extended due to seller responsibility.

