

CONTRACT No. 01/NT-PENTEK/2024

Ho Chi Minh City, October 17th, 2024

Between: **NGOC THOM TRADING AND SERVICE COMPANY**
12/14/18 Str49, Quarter7, Hiep Binh Chanh Ward, Thu Duc City, HCMC, Vietnam
Tax code: 0309391503
Tel: +84 28 62606631 Fax: +84 280 62606624
Represented by: **Mrs. TRAN THI THOM DIRECTOR**
Hereinafter called “**The Buyer**”

And: **PENTEK TEXTILE MACHINERY SRL**

Via Enrico Mattei 10, 59013, Montemurlo (PO), Italy
Tel: +39 0574 871210 - Fax: 39 0574 871249
Represented by: **Mr. Andrea Prologo – Director**
Hereinafter called “**The Seller**”

It has been agreed as follows:

The Buyer agrees to buy and The Seller agrees to sell the following equipment, accessories at price as stated under Article 1 and with terms & conditions as stipulated and described elsewhere in this contract.

ARTICLE 1 : **COMMODITY & PRICE**

No.	Commodity	Quantity	Unit price (EUR)	Total amount (EUR)
1	Continuous tumbler for terry towel mod. EnAirgy Next	1 set	178.000, ⁰⁰	178.000, ⁰⁰
2	Delivery cost, insurance and other fees to deliver to the last place (Hai Phong Port in Vietnam)			
TOTAL CIF Hai Phong Port in Vietnam (INCOTERMS 2024)				178.000,⁰⁰

(In words: EURO one hundred and seventy eight thousand only)

Specification : As per Annex No. 1
All equipment and accessories are as specified in Annex No. 1 and bidding documents which forms an integral part of this contract.
Production year : 2025
Origin : F.R of ITALY / EU
Quality : 100% Brand-New

ARTICLE 2 : OBLIGATION OF THE SELLER

The Seller undertakes to supply/ carry-out:

All necessary drawings for machine foundation, electricity cables, water pipe, compressed air pipe, instructions for installation and operation-manuals, maintenance-instructions, etc....hereafter called technical documentation, all in English language. This technical documentation will become the property of The Buyer, will enable The Buyer to prepare the installation-works, operation and maintenance the equipment after installation, start-up & handing-over. The Seller is responsible for return air tickets, board & lodging for the Italian appointed technicians for the machine installation.

ARTICLE 3 : OBLIGATION OF THE BUYER

The Buyer undertakes to provide/ carry-out:

Handling all the customs-clearance for the equipment & accessories at arrival port / payment of any kind of duties & taxes applicable to The Buyer in Vietnam related to this contract (if any), transport of the equipment from the port to the installation-site, after its arrival. For the Italian appointed technicians, the Buyer is responsible for factory lunch, private transportation from hotel to factory and back, English-Vietnamese interpreter.

ARTICLE 4 : DELIVERY, SHIPMENT ADVICE & INSURANCE

- 4.1 The equipment & accessories under this contract will be shipped ex. European Port within 4 months, after receiving the first payment.
- 4.2 Within ten (10) days from vessel's sailing, The Seller shall advise The Buyer by fax/email of particulars of the shipment including name of vessel, B/L No. & date, invoice amount, quantity & weight of packages, ETA.
- 4.3 Partial shipment shall not be allowed.
- 4.4 Transshipment to be allowed.

The port of loading shall be any Italian Port.
The port of discharge shall be Haiphong Port, Vietnam.

- 4.5 Insurance shall be covered by The Seller against "ALL RISKS" in accordance with Lloyds' ICC (A), non-deductible for 110% invoice value, with claim payable in Ho Chi Minh City, Vietnam.

ARTICLE 5 : PENALTY FOR LATE DELIVERY

If The Seller delays in shipment as specified at Article 4, Position 4.1 of this contract, The Seller shall pay a penalty to the Buyer 0.5% of total contract value for the 1st 2 weeks and 1%/week for the following weeks, but maximum penalty is 5% of contract value.

ARTICLE 6 : PACKING & MARKING

6.1 All equipment & accessories, specified in this contract, shall be packed in accordance with seaworthy & export standard.

6.2 Each case shall be marked clearly for easy identification. The marking to be done by water-proof ink & to contain the followings:

Contract No. : **No. 01/NT-PENTEK/2024**

Net/gross weight :

Port of Loading :

Port of Discharge : Haiphong port, Vietnam

Consignee : **NGOC THOM TRADING AND SERVICE COMPANY**
12/14/18 Str49, Quarter7, Hiep Binh Chanh Ward, Thu Duc City, HCMC, Vietnam

Delivery: Hai Phong port delivery, end user is HANOSIMEX HADONG TEXTILE JOINT STOCK COMPANY

ARTICLE 7 : PAYMENT TERMS

7.1 All payments shall be made to The Seller's Bank as follows:

BANCA NAZIONALE DEL LAVORO – PRATO BRANCH

SWIFT : BNLIITRR

IBAN : IT 58 U 01005 21500 000000 003133

in favour of: **PENTEK TEXTILE MACHINERY SRL**

Via Enrico Mattei 10, 59013, Montemurlo (PO), Italy

7.2 Within 10 days after the contract is signed, The Buyer will remit down-payment of **EUR 53.400,00**, equivalent to 30% of contract value. Against the shipping documents, The Buyer will remit second installment in favor of The Seller, covering 60% of total contract-value, i.e. **EUR 106.800,00**. The final 10% of contract value, equivalent to **EUR 17.800,00** will be remitted in favor of The Seller upon the signature of Certificate of Acceptance & Handling, not later than 24 months from B/L issuing date.

7.3 All bank charges inside the Buyer's country will be borne by the Buyer, all bank charges outside the Buyer's country will be borne by the Seller.

ARTICLE 8 : CHECKING THE GOODS & ACCEPTANCE

When the goods arrived at the installation-site of the Buyer and when the installation-works start, all pallets will be opened and inspected by the Buyer. A report will be signed by parties involved, mentioned clearly the status of packing, also status of goods.

In the case if any shortages or any damages by mistakes are made by the Seller/Maker, the Seller will ship more parts for replacement as free of charge on DDP basis at soonest time but within maximum 45 days.

ARTICLE 10 : INDEMNITY

The indemnity contemplated in this contract shall not include any losses, damage, costs or expenses of any nature whatsoever of (i) an indirect, special, speculative, punitive, exemplary or consequential nature nor (ii) for any economic loss or other loss of turnover, profits, business, reputation or goodwill.

ARTICLE 11 : FORCE MAJEURE

At start and finishing point of an event of Force Majeure such as fire, flood, act of God, earthquake, war, strike or changes of laws/policy by local authorities, the impacted party must notify the other party in written within 15 days after such event and certified by the Chamber of Commerce evidencing the existence of the event of Force Majeure. In case, the impacted party notify the other party later than 15 days after such event, it is not accepted.

ARTICLE 12 : ARBITRATION

In the course of execution of this Contract, all disputes not reaching amicable agreement shall be referred to Vietnam International Arbitration Center (“VIAC”) at Vietnam Chamber of Commerce and Industry for final settlement under VIAC arbitration rules, by an arbitral tribunal of three arbitrators appointed in accordance with the said rules. The venue of arbitration shall be in Ho Chi Minh City and the language of the arbitral proceedings shall be English. The Laws of Vietnam shall be applied.

The awards of Arbitration shall be as final, binding both parties and non-appealable.

The fee for the Arbitration and/or other charges shall be born by the losing party unless otherwise agreed.

ARTICLE 13 : OTHER CONDITIONS

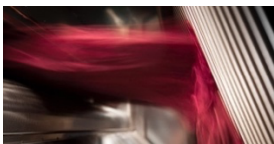
- 13.1 Any changes and amendments to this contract shall be made in writing and are subject to mutual agreement. Such changes and amendments shall constitute an integral part of this contract.
- 13.2 All costs and tax/duty outside Vietnam related to the contract will be borne by the Seller, and vice versa all costs and tax/duty inside Vietnam related to the contract will be borne by the Buyer.
- 13.3 After the contract is signed, all documents during negotiations will become void.
- 13.4 This contract is made in 04 Originals or in copy in English and 04 Originals or in copy in Vietnamese translation. Each party keeps 2 Originals or copy with equal legal value. The English version will prevail.

**On behalf of
The Buyer**

**On behalf of
The Seller**



ANNEX No. 1
(For Contract No. 01/NT-PENTEK/2024)



Process Logic

The secret of EnAirgy is the combination of an alternated discontinuous motion within a continuous process: while in fact inside the machine the stored goods keep smashing at high speed in a back and forth motion, externally the fabric enters and exits continuously without any pause. This is possible thanks to a low speed entering and exiting the equipment (mechanically adjustable from 3 to 50 mt/min) and to a very high speed in the internal back and forth motion (pneumatically produced by the air pressure and adjustable till 2500 mt/min).

Fabrics are fed into the machine and deposited on the accumulation scray, which acts as fabric storage for the process. Fabrics run through a shooting tunnel, which connects the inlet and outlet storage cells. High-pressurized airflows, generated by special blowers, enter the tunnel from both the top and the bottom inlet points, discharging the energy on the fabric and throwing it against the contrast grids positioned orthogonally on both sides of the tunnel. A mechanical damper drives the air alternatively left and right determining the characteristic alternated motion of the fabrics which ensures a high number of smashing against the grids, thus achieving the unique soft and bulky effect.

Entry

Inlet frame with braking and tensioning rods at adjustable position.

Inlet traction provided by motorized roller of wide diameter and idle tensioning roller. The motorized roller is covered by anti-sliding silicon tape. Fabric introduction duct in stainless steel.

Storage cells



Steel painted structure with insulating materials to prevent heat dispersion.

12 cm thickness insulated doors with inspection windows with tempered glass.

Accumulation J-box composed of stainless-steel structure and teflon sliding to ensure thermal insulation of the fabrics and proper sliding in the j-scray.

Load cells determine the fabric weight in the j-scray. Smashing grids entirely manufactured in stainless steel. A mechanic device enables to change the grid position with a scaled system and consequently the impacting angle of the fabric.

Shooting tunnel

Shooting tunnel inlet in calandered and polished stainless steel to avoid improper frictions.

5,6 mt length shooting tunnel, with thermal insulation to avoid heat dispersion. The internal continuous pressure of the air prevents the accumulation of any dirtiness, fluffs and potential fabric color contamination or stains.

Air inlet blowers with internal deflectors for a uniform distribution of the air flow.

Mechanical valves, pneumatically actuated, will determine the airflow inversion.

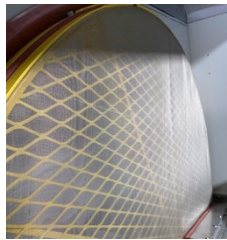
Air thrust & heating

Air heating (800 kW installed) by steam heat-exchanger. Working temperature range of 120-140°C at 4-6 bar pressure. High-pressure air blowers with powerful motors (75 kW), inverter controlled and adjustable from control panel. The set pressure determines the speed of the fabric inside the machine. Exhaust fan (45 kW) inverter controlled and adjustable from control panel.



Relax & crash (International Patent)

The fabric can be kept floating inside the shooting tunnel, between one crush and another, for a preset number of seconds directly from the operating panel. The system allows the operator to separate tumbling and drying actions, thus allowing the machine to be run from a pure Tumbler to a pure Dryer, with full flexibility between the two. The RELAX & CRASH system (International Patent) helps to reduce to a minimum level warp-wise pulling of the fabric during the fabric back and forth motion.



Filtering system

Filter & compactor placed on the air extraction circuit, right before the exhaust fan. The filter is composed of a wide diameter automatic rotary mesh filter and with a silicon scraper, which removes the lint and drive it – through a never-ending screw – to an external bag for compacted lint collection for easy removal.

Exit

Stainless steel duct protecting the way out of the goods from air turbulences.

Motorized Scroll rollers kit in stainless steel with various profiles (according to the fabric types) and manually adjustable on a 360° angle;

Motorized slats centering device with high adherence rubber profile. The centering action is pneumatically driven and controlled by IR photoelectric sensor. Electrical anti-static bar placed before exit. Exit available with: flat folding device, lockable flat folding device, tangential batcher, axial batcher and combination with flat folding + batcher.

Cabinet and controls

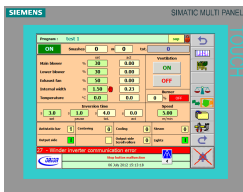
The electrical cabinet is placed adjacent to the fabric inlet and is built to IP54 standards, following a PLC and control panel touch screen by SIEMENS enables to run the machine both in manual and automatic modes. The operator can edit, store, retrieve and modify an almost unlimited number of recipes with all the operating parameters of the equipment.

Historical memory of alarms with explanation and diagnostic;

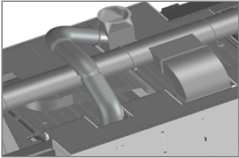
Memory of all last week processes with graphics of all main parameters (temperature, air blow, operating speed, etc...)

Controls of all basic and optional equipment (scroll rollers, centering device, flat folding device, axial winder, fabric steamer, etc...)

Software available in following languages: Italian, French, German, English, Spanish, Portuguese, Turkish, Chinese, Japanese, Dutch, Arabic.

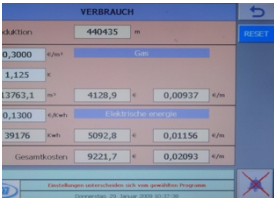


OPTIONAL EXTRAS



Filtered air heat recovery system

Targeting further energy saving, the machine can be equipped with a system for partially redirecting the filtered and exhausted air towards the gas burning chamber. Recommended for gas burner setup. The percentage of recirculated air can be set by the operator at 3 different steps.



VERBRAUCH			
Produktion	440435	m³	
0,3000	Cost		
1,125	kWh		
13763,1	m³	4128,9	0,00937 kWh/m³
0,1300	kWh/m³	Cost Machine energy	
39176	kWh	5092,8	0,01156 kWh/m³
Gesamtkosten	9221,7		0,02093 kWh/m³

Electricity consumption monitoring kit

Machine can be equipped with an additional module of PLC reads the electrical consumptions from the inverter driven motors. These data, combined with the meter counter on the entry of the machine, allow to display the cost per meter in real time.

Continuous Tumbler

Mod. **ENAIRGY** 2600 x 2400
NEXT

- Entry frame with braking rods and drag roller;
- N.2 fabric accumulation chambers of large profile;
- All the storage cells and shooting tunnel with 14 cm rock-wool insulation;
- Shooting tunnel of 5.600mm length;
- Relax & Crash® system (International Patent);
- Auto cleaning rotary mesh filter + compactor;
- Airflow heating through steam heat exchanger;
- Exit with scroll rollers, slat centering and flat folder;
- Antistatic device;
- Tele-assistance via internet;
- SIEMENS touch screen & electrical cabinet;
- Double air conditioning unit;
- Standard spare parts;

OPTIONAL EXTRAS

Filtered air heat recovery system
Electricity consumption monitoring kit

Service Pack

- Sea-worthy packing on wooden pallets;
- CIF Hai Phong port delivery in Vietnam (Incoterm 2024)
- Set up & Commissioning (15 days)
(local transportation at Buyer's charge)
- Technological service (7 days)
(local transportation at Buyer's charge)

DELIVERY: CIF terms, within 150 days from L/C issuing date

TRANSPORT: Through 3 (three) x 40' HC containers, at Seller's charge

PAYMENT TERMS: 30% by T/T as advance payment
60% by T/T against shipping documents
10% after signature of acceptance certificate

SELLER'S APPROVAL



PENTEK TEXTILE MACHINERY SRL - Andrea Prologo

TECHNICAL SHEET



Roller Width:	2600 mm
Maximum Working Width:	2400 mm
Maximum Evaporation Capacity:	380-450 kg/h H ₂ O
Production Speed:	3-50 mt/min
Heating system:	Steam
Maximum Installed Thermal Power:	800 kw –700,000 Kcal/h
Working temperature range:	120-140°C at 4-6 bar pressure
Average steam consumption:	850 kg/h
Steam pressure:	4-6 bar
Compressed Air line:	½"
Compressed Air Feeding Pressure:	6 bar
Installed Power:	128 Kw
Absorbed electrical power:	70 kWh
Electrical Line:	V 400, tri-phase, Hz 50
Sizes:	4452 mm x 12074 mm x 3900 mm
Weight:	14.000 kg
RAL colors:	1012 + 1013

ATTACHMENT

Top and side view with overall dimensions. The a/m technical specifications and related technical drawings are subject to modifications and changes in line with the new developments introduced. Copies are prohibited without previous agreement of the manufacturer.

EC DOCS

EC Stamp and Certification of the whole line. Machine is in conformity with all norms related to Directive 2006/42/EC Machinery Directive, and directive 2004/108/EC on Electromagnetic Compatibility (EMC). The operator's Manual is available in the following languages: Italian, English, French and Chinese. Machine software available in Italian, English, French, German, Turkish, Spanish, Dutch, Polish, Portuguese, Russian, Chinese, Arabic etc.... Other required languages should be stipulated in the commercial terms.

Project Approval

Stefano Sanchini
Technical Director

Erection & Start up

Price includes erection and supervision of installation, which will be carried out and coordinated by Pentek personnel. Set up and commissioning normally lasts 15 working days. In order to guarantee this time schedule, the Purchaser should provide the following personnel:

Erection	Start up
2 expert mechanics	2 electricians
1 helper and forklift driver	2 expert operators

Purchaser is also required to supply means for packages logistics and lifting (5 tons forklift), and related authorized personnel to handle that and all necessary tools required by our technician.

In case the installation will last more than expected due to delays and interruptions not directly inherent to our supply (for instance, problems or delay in line connections, lack of supporting personnel, etc...), the Purchaser will be held responsible for the delay.

Before the arrival of our technician, the Purchaser shall provide written confirmation confirming that the utilities connection should be by the machine and ready for connection.

Set up and e commissioning of the equipment will be terminated with the positive test mechanical and electrical of the supply till a maximum of 48h after installation with or without fabric production. Set up and supply's commissioning report should be signed by both parties.

The scope of the supply is specified in the current quotation; if not otherwise specified, the following supplies and services should be provided by the Purchaser:

Scope of the Supply

Erection & Commissioning

- ✚ Local transportation from/to hotel and from/to airport;
- ✚ Factory lunch;

Utilities Connections

Complete electrical line complete with cable and protection fuses till the electrical cabinet of the machine. Cabinet includes a powerful air conditioning system; PENTEK will not be responsible of the duration and warranty of electrical components should the environment suffer over 45°C temperature and 90% humidity. In case the line whose instability overcomes the $\pm 5\%$ the Purchaser should install a stabilizer to protect the system from risks of overvoltage, disturbs or energy picks.

Foundations, pits, drains and any type of masonry jobs;

Thermal oil line for all the connection indicated in the installation drawings, including all necessary components, such as valves, pressure reducers and condense dischargers.

Compressed air line till the connection point of the machine, including valves, reducers and condensation dischargers.

Extraction stuck from the machine to roof and from hood aspiration to roof in case of intensive steaming device on entry

Warranty

A. Warranty Period

The warranty period begins from the Start up Report date. Set up operations executed by the customer prior to the arrival of the Pentek's technician automatically implies the warranty expiration if not previously authorized in writing by Pentek.

The warranty period is:

Twenty-four months (24) for mechanical parts; not to exceed 27 months from B/L issuing date;

Twenty-four months (24) for the electrical and electro-pneumatic parts and for the heating equipment; not to exceed 27 months from the B/L issuing date.

At the end of the warranty period, any pending request of service – notified in writing before the expiration of the warranty itself – automatically brings to an extension for the time needed to complete the service operations. Any verbal request of service will not ensure any extension of the warranty period.

B. Conditions

To take advantage of the warranty, the Buyer should immediately notify Pentek regarding any possible failure. The Buyer is required to cooperate from his location with Pentek to determine the nature and extent of the problem and consequently the opportunity and modes of a possible intervention. Warranty does not cover any damage caused by the disrespect of the specification provided by Pentek for the machine line connections, or due to improper use of the equipment by the Buyer. No other warranty – nor implicit or explicit – are valid beyond the present terms. Any information related to the production and/or processing advantages will be considered as indicative data and will not be obliging as implicit commitment. Possible economic damages due to lack of production or machine down time will not be reimbursed.

1. Materials

Warranty covers the replacements of defective materials (shipment covered by Pentek and customs duties at Buyer's cost). The Buyer must return to Pentek all the replaced material within 30 days in a case-by-case mode to be agreed upon between Buyer and Pentek. The lack of return of the damaged part – when required – will automatically cause the issuing of the invoice for the supplied component.

Tear and wear materials are excluded from the warranty terms.

All the components, parts or services installed upon specific request of the Buyer will follow the warranty terms of the specific supplier.

2. Interventions

In case of need of intervention, Pentek will adopt a top priority procedure within the logistic and resource availability. Pentek will cover intervention costs only in case of defects unequivocally due to a factory defect. The Buyer should only cover the board and lodging expenses. Should be detected a specific cause not related to manufacturing, Pentek will reserve the right of debiting the borne expenses

Payment Terms

After 60 days, Pentek reserves the right to delete the contract should the Buyer disrespect the payments terms agreed upon. The equipment supplied will be Pentek's property until the full payment of the machine according to the order Confirmation.

Responsibilities

Any removal or modification on the safeties, besides implying the warranty to decade, will relieve Pentek from product liability and penal liability for possible damage or harm to people and objects. Pentek is not responsible for claims or damages due to not compliance of the Buyer, of technical norms internationally accepted and of law and regulation prescriptions issued by a local Government or State. It's expressly agreed that the Buyer has no right to be reimbursed for damages on parts not included in this contract, including the profit or production losses. Pentek's responsibility does not apply to defect and damages caused by project modifications required by the Buyer.

Contract Norms

ANNEX No. 2
(For Contract No. 01/NT-PENTEK/2024)
INSTALLATION AND GUARANTEE TERMS

ARTICLE 1 : INSTALLATION

Obligations of The Seller:

- The Seller will provide Experts for installation-instruction of the equipment, carry-out the commissioning & start-up works & to train the operators of The Buyer at the factory-site about skills for machine operation, fine adjustment, set up data on PLC, troubleshoot, maintenance process. The contract price is including the above mentioned services.
- Besides, The seller is responsible for all costs of airfare, hotel, meals, allowance, training specialist
- Provide free and support technical installation, Guide to use software connect with center to manage and exploit data (export excel file)

Obligations of The Buyer:

- To prepare the job-site like civil works for floor, foundations, electricity cables, water pipe, compressed air pipe.
- To notify in written to The Seller **10 days** in advance about schedule to carry-out the installation works of the equipment, under the supervision of The Seller
- Arrange technicians during installation, commissioning and start-up period:
 - Electricians
 - Skilled Mechanics
 - Operators
 - Pipe filters
 - Welders
- Arrange facility for installation like cranes for lift on/lift off, handling tools, required fabrics.
- During preparation of the job-site for installation, commissioning and start-up of the equipment, The Buyer shall provide a competent representative, who will liaise with The Seller's experts to resolve any issues, queries and/or problems that may arise at the job-site.
- Buyer will serve lunch, English language translator and shuttle specialists from the hotel to the company during the installation and training time.

ARTICLE 2 : GUARANTEE TERMS

- The Seller guarantees that all goods shall be brand new, of first-class workmanship and newly manufactured. It shall under normal conditions, be free from all defects, faulty design, materials and/or workmanship for a period of **12 months** from of Certificate of Acceptance & Handing Over.
- Guarantee main components and spare parts: mechanical parts, bearings, electric components, electronics, circuit boards, touch screens, piston-compressors are manufactured in Italy, Germany, Europe and Japan.
- During the warranty period, although The Buyer follows the operation /maintenance instructions of The Seller, the damages still happen and defective / damaged part (s) are discovered, The Seller shall arrange, to send technician to repair and/or send quickly parts for replacement at his costs on DDP basis but within max. 45 days after receipt of the notification in written of the Buyer.
- The warranty excludes normal wear and tear parts or damages, caused by wrong operation, maintenance by the Buyer, against the instruction of Maker's Expert or operation manual.
- Shortly before the Bank Guarantee for Warranty comes to and end, The Seller will delegate an experienced Technician of the Maker for 1 week to Hanosimex factory, for checking the machine, fine adjustments and changing parts, if necessary. Those parts, that will be changed and fall under the Guarantee, will be free of charge for Hanosimex.

This Annex is made in 04 Originals in English. Each party keeps 2 Originals with equal legal value.

**On behalf of
The Buyer**

**On behalf of
The Seller**



PENTEK
TEXTILE MACHINERY
SRL