

## SALES AGREEMENT

This Sales Agreement (hereinafter: "Agreement") is entered into by and between

**GR TECHNOLOGIES SDN BHD**

Business address: level 10, Menara BRDB, No. 265, Jalan Maarof, Bangsar, 59000 Kuala Lumpur, Malaysia

Company reg. No.: 1260885-U

represented by **Datuk Vinod Sekhar**

(hereinafter: "Seller")

and

**Ministry of Foreign Affairs and Trade**

Bem rakpart 47, 1027 Budapest, Hungary

TAX ID number: 15311351-1-41

Name of the financial institution where bank account is held: Hungarian Treasury

Bank account No.:

represented by dr. Csaba Balogh, Minister of State

(hereinafter: "Buyer").

Each Seller and Buyer may be referred to in this Agreement individually as a "Party" and collectively as the "Parties."

Whereas, Seller owns certain Goods, as defined below, and Seller desires to sell such Goods under the terms and conditions set forth in this Agreement; and

whereas, Buyer desires to purchase the Goods offered for sale by Seller under the terms and conditions set forth in this Agreement.

Therefore, in consideration of the mutual promises and for other good and valuable consideration exchanged by the Parties as set forth in this Agreement, the Parties, intending to be legally bound, hereby mutually agrees as follows:

### Preamble

**1. Parties declare that the following agreements had been concluded between them:**

a. Parties signed a contract (hereinafter: Contract 1) for the sale of 800 invasive medical ventilators (hereinafter: Ventilators) for the total purchase price of 58 000 000 USD on the 26<sup>th</sup> of March 2020. 100 % of said purchase price had been paid by Buyer in advance.

b. Parties signed a contract (hereinafter: Contract 2) for the sale of 6000 invasive medical ventilators (hereinafter: Ventilators) for the total purchase price of 450 000 000 USD on the 25<sup>th</sup> of March, 2020. 2 % of said purchase price, i.e. 9 000 000 USD had been paid by Buyer in advance.

c. Parties signed a contract (hereinafter: Contract 3) for the sale of 6400 invasive medical ventilators (hereinafter: Ventilators) for the total purchase price of 501 600 000 USD on the 27<sup>th</sup> of March, 2020. This Contract had been amended by Parties on the 31<sup>st</sup> of March 2020. 60 % of said purchase price, i.e. 300 960 000 USD had been paid by Buyer in advance.

**4. Parties hereby agree to terminate Contract 1, Contract 2 and Contract 3 upon the signature of this Agreement and to settle their summed claims, rights and obligations arising from said contracts in this Agreement as follows:**

#### **I. Sale of Goods.**

1. Seller agrees to sell, transport and deliver to Buyer, and Buyer agrees to purchase the following items in the following quantities and at the prices (the "Goods"):

<b>Description of Goods</b>	<b>Total Quantity</b>	<b>Total sum</b>
Ventilators models SH300; Shangrila 510S; SD-H3000B & C; 6000S; PA500; S1100; T5/T7; V6 (as per attached Technical Specification)	6258 units	<b>559 600 000 USD</b>

2. By signing the Agreement, Seller expressly states that that they will ensure the availability of the professional, technical and human resources necessary from the product manufacturer to fulfill the Agreement and that provide such resources for the entire duration of the Agreement.

3. Parties declare that Seller had already delivered 1823 units of Goods.

#### **II. Purchase Price and Terms of Payment.**

1. Buyer shall pay Seller for the Goods and for all obligations specified in this Agreement, if any, as the full and complete purchase price, the sum of **559 600 000 USD i.e. five hundred fifty-nine million six hundred thousand US dollars**. The total purchase price includes the sum of the advance payments, i.e. 367.960.000 USD Buyer had already paid to Seller in accordance with Contract 1, Contract 2 and Contract 3 until the day of the signature of this Agreement and Seller agrees only to claim the remainder of the purchase price (hereinafter: **Remainder Price**), the sum of **191 640 000 USD i.e. one hundred ninety-one million six hundred forty thousand US dollars**.

2. Under this Agreement Seller shall issue its 1<sup>st</sup> invoice to Buyer for **50% of the Remainder Price, i.e. 95 820 000 USD** immediately. Buyer shall pay the first installment of the Remainder by the 21<sup>st</sup> of May, 2020.

Seller shall issue its **2<sup>nd</sup> invoice** to Buyer for **50% of the Remainder Price, i.e. 95 820 000 USD** upon **delivering further 900 units of Goods or more in addition to the already delivered quantity stated in Sections I.3 and II.3**. Buyer shall pay the second installment of the Remainder Price immediately on arrival of the 900 or more units.

3. Seller shall have no claim to any additional payment or remuneration apart from what is specified here:

In the event of the substantial rise of the market prices, Seller might ask for an additional 10% of the Remainder Price. However, Seller is not entitled to claim any additional payment unless it is accepted by Buyer. If Buyer refuses to accept the risen price, and no Goods listed above can be delivered on or below the average price/unit, Buyer is entitled to decrease the total number of units that shall be delivered, the number of units to be determined by mutual agreement after taking into account any penalties the seller may have to cover in relation to cancellation of orders.

4. Dr. Csaba Balogh Minister of State is entitled to issue the verification of due performance on behalf of the Buyer.

5. The Parties agree that the price will be regarded as having been paid on the day when the amount is credited to the financial institution where the Seller's account is held.

6. The Remainder Price shall be transferred to Seller's following accounts:

a.

- Bank Name: **BANK OF COMMUNICATIONS (HONG KONG) LIMITED**
- Bank Address: **G/F., 327-333 Queen's Road West, Hong Kong**
- **BENEFICIARY: Silk Road Development Fund Management Holding Ltd.**
- Account No.:
- Swift Code: **COMMHKHK**
- **First Transfer as per this Agreement Amount: USD 60,820,000-00**

b.

- Bank Name : **United Overseas Bank Limited**
- Bank Address : **80 Raffles Place, Singapore 048624**
- Beneficiary : **Havelock International Pte Ltd**
- Account No :
- Swift Code : **UOVBSGSG XXX**
- **First Transfer as per this Agreement Amount: USD 35,000,000-00**

### **III. Delivery.**

1. Seller shall ship the total amount of 6258 units that have been paid for previously and under this Agreement to Buyer by the 15<sup>th</sup> of July at the following address: **Budapest, Hungary.**

2. Buyer will consider the timeframe between the 15<sup>th</sup> of July and the 31<sup>st</sup> of July, 2020 a grace period, therefore no penalty and consequences of breach shall apply if Seller delivers the Goods by the end of said grace period. If the seller fails to deliver the goods by this deadline, the buyer is entitled to demand a refund for the units not delivered.

**3. The coverage of the shipping costs are a matter of further negotiations between the Parties.** Seller shall ship the Goods to the aforementioned address after receiving Buyer's written acceptance of the shipping details and Buyer will reimburse Seller's actual costs based on invoices received from the delivery partner in China. However all payments due for shipment costs of goods already delivered will be paid in full upon presentation of related invoices, including for the forthcoming shipment of the 900 or more ventilators currently due at the end of May 2020.

**4. Seller acknowledges that Buyer will not accept any delivery after the 31<sup>st</sup> of July, 2020 and if the delivery by said date is not full and complete, Seller shall refund the price of any undelivered Goods. No extension of delivery deadline is possible, since the EU regulation regarding tax and customs waivers will expire on the 31<sup>st</sup> of July, 2020.**

### **IV. Risk of Loss.**

1. Risk of loss will be on the Seller until the time when the goods are delivered to Budapest Airport. Seller shall maintain any and all necessary insurance in order to insure the Goods against loss at Seller's own expense. Title to the Goods will remain with the Seller until it is off loaded from the transport in the Hungarian airport chosen.

### **V. Right of Inspection.**

1. Buyer shall be allowed to examine the Goods once received and shall do so within 2 days after the receipt of the Goods. In the event that Buyer discovers any damages, shortages or other nonconformance of the Goods, Buyer shall notify Seller within 2 days after receipt of the Goods, specifying the basis for its claim. Failure to notify Seller by such date shall constitute an acceptance of delivery of the Goods as is. In the event the Goods are non-conforming, Buyer may at its option:

- return the Goods for a replacement, at Seller's expense as all goods are warranted by the manufacturer.

### **VI. Seller Representations and Warranties.**

1. Seller warrants that the Goods are free, and at the time of delivery will be free, from any security interest or other lien or encumbrance. Seller warrants that there are no outstanding titles or claims of title hostile to the rights of Seller in the Goods.

### **VII. Force Majeure.**

1. Seller will not be liable to Buyer for any delay, non-delivery or default of this Agreement due to labor disputes, transportation shortage, delay or shortage of materials to produce the Goods, fires, accidents, Acts of God, or any other causes outside of Seller's control. Seller shall notify Buyer immediately upon realization that it will not be able to deliver the Goods as promised. Both parties shall then negotiate in good faith a solution.

### **VIII. Termination**

1. Buyer or Seller is entitled to terminate this Agreement in writing with cause and with immediate effect in the event of a serious breach of the Agreement by Seller. Serious breach of the Agreement includes

- Seller or Buyer does not perform the tasks specified in the Agreement or does not perform them according to the terms and spirit of the Agreement.
- Proceedings involving distraint, liquidation, bankruptcy, or final settlement are launched against the Seller.

### **IX. Confidentiality**

1. Seller and Buyer bears liability regarding the information qualifying as classified which Seller - before or after the Agreement comes into force - becomes aware of pertaining to the performance of the Agreement. Neither Party shall be entitled to transfer or disclose other confidential information, except information regarding the material elements of the Agreement, i.e. the person of the Parties, the subject matter of the Agreement, the amount of consideration, and all provisions the disclosure of which is stipulated by law.

2. Information regarding the present Agreement and its performance or information about the other Party, particularly about its operation and organization, they become aware of or possess, and any fact, data, design, deed, document, process (hereinafter: data) not publicly accessible that they otherwise learn, shall qualify as trade secret the disclosure of which would violate the Parties' official, business or other interests.

3. In case of expiration or other termination of the Agreement, both Parties shall be bound by the confidentiality obligation regarding classified data until the end of the term of validity thereof; regarding further secrets related to the Agreement and other confidential information related to the performance, the provisions of legal regulations effective at the date of concluding the Agreement shall be followed.

4. The Parties make every effort in order to inform their concerned employees or other contributors about the above obligations, and to keep the above provisions and have those kept. Detriments deriving from unauthorized disclosure of data and costs necessary to eliminate these detriments, beyond other liability, are borne by the Party responsible for the unauthorized disclosure.

**X. Amendments.**

1. No amendment to this Agreement will be effective unless it is in writing and signed by both Parties.

**XI. Disputes.**

1. In the course of the execution of this Agreement, the Parties agree to address any unsettled questions or matters in dispute through negotiation; should negotiation fail, the legal dispute – depending on the sphere of authority – will be under the exclusive jurisdiction of the Singapore courts of law.

2. This Agreement contains the entire understanding between the Parties and supersedes and cancels all prior agreements of the Parties, whether oral or written, with respect to such subject matter.

**XII. Notices.**

1. Any notice or other communication given or made to any Party under this Agreement shall be in writing and delivered by hand, sent by certified or registered mail, return receipt requested, to the address stated above or to another address as that Party may subsequently designate by notice and shall be deemed given on the date of delivery.

**XIII. Waiver.**

1. No Party shall be deemed to have waived any provision of this Agreement or the exercise of any rights held under this Agreement unless such waiver is made expressly and in writing. Waiver by any Party of a breach or violation of any provision of this Agreement shall not constitute a waiver of any other subsequent breach or violation.

**XIV. Severability.**

1. In the event any provision of this Agreement is deemed invalid or unenforceable, in whole or in part, that part shall be severed from the remainder of the Agreement and all other provisions should continue in full force and effect as valid and enforceable.

**XV. Miscellaneous.**

1. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors and assigns. The provisions of this Agreement are severable. If any provision is held to be invalid or unenforceable, it shall not affect the validity or enforceability of any other provision. The section headings herein are for reference purposes only and shall not otherwise affect the meaning, construction or interpretation of any provision of this Agreement. This

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Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together, shall constitute one and the same document.

2. This Agreement enters into effect when both Parties to the Agreement have signed it; it concludes with completion of the terms specified herein.

3. Both parties have read and understood the points of this Agreement and have agreed to all of its stipulations, as they affirm with their signatures. The Agreement has been signed in 2 identical original copies, 1 of which are in the possession of the Buyer and 1 of which is in the possession of the Seller.

4. Appendices:

- Brochures with technical specification of Goods

Dated: .....<sup>21</sup> .....<sup>20</sup> 2020.

Dated: 21<sup>st</sup> May 2020.

.....  
... Saba Balogh  
Minister of State  
Ministry of Foreign Affairs and Trade  
Buyer

The seal of the Ministry of Foreign Affairs and Trade of Hungary is circular. It features a central emblem of the Hungarian coat of arms, a crown, surrounded by the text 'Ministry of Foreign Affairs and Trade of Hungary' and 'State Secretary'.

.....  
**Datuk Vinod Sekhar**  
(for the Seller)

Financially countersigned by:

Legally countersigned by: Dr Winy Yeap

