

JOINT VENTURE AGREEMENT

BETWEEN

**THE NATIONAL SERVICE CORPORATION SOLE
(SUMAJKT)**

AND

**SKYZON INTERNATIONAL GROUP LIMITED
(SKYZON)**

FOR

ESTABLISHING LED LIGHT MANUFACTURING PLANT

DATED: 13th Dec 2023

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JOINT VENTURE AGREEMENT

This **Joint Venture Agreement** is entered on this ^{13th} day of ^{Dec} ~~Dec~~ 2023

BETWEEN

THE NATIONAL SERVICE CORPORATION SOLE a body corporate existing under the laws of the United Republic of Tanzania having its registered office at Mlalakuwa, P.O. Box 1694, Dar es salaam, Tanzania (hereinafter referred to as "**SUMAJKT**") of the First part;

AND

SKYZON INTERNATIONAL GROUP LIMITED, a company registered under the Laws of Tanzania, with its legal address P.O.Box 79575, House No 6, Road Mzinga Way, Street Oysterbay, Plot No. 1359 Dar es Salaam, Tanzania, The subsidiary company of SKYZON HK Limited of China (hereinafter referred to as '**SKYZON**')

RECITALS:

- A. WHEREAS SUMAJKT**, through its constituting instruments and by mandates given to it by the Government of the United Republic of Tanzania has power to implement and carry on various projects in Tanzania including, but not limited to, projects related to Plant hiring, industry, agriculture, construction and other general technology development projects through strategic joint venture partnership, collaboration or cooperation of any other sort with partners in the public and private sectors.
- B. AND WHEREAS SKYZON INTERNATIONAL GROUP LIMITED** is a limited company duly registered in Tanzania, Owned by **Skyzon HK Limited** of China, dealing with the manufacturing/production, assembly and sale of LED light products, Solar panel assembling line, Pole equipment and other related products worldwide.
- C. AND WHEREAS** the Parties are entering into this Agreement for the purpose of jointly setting and establishing an LED light manufacturing plant within the United Republic of Tanzania.

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D. AND WHEREAS the Parties are desirous of forming a Joint Venture (the "**Venture**"), under the laws of Tanzania by execution this Agreement for the purposes set forth herein and are desirous of fixing and defining between themselves their respective responsibilities, interests, and liabilities under the Venture.

E. AND WHEREAS Parties agree that the JVA shall be executed by SUMAJKT SKYZON COMPANY LIMITED allotting **51%** shares to SKYZON INTERNATIONAL GROUP LIMITED.

NOW THEREFORE, in consideration of the mutual promises, covenants, agreements contained herein, the Parties hereto and hereby agree as follows:

Article I

Definitions and Interpretation

In this Agreement and the Exhibits hereto, unless the context otherwise requires, the following words and expressions shall have the following meanings, namely:

- a. **'Affiliate'** shall mean, as to any Person, any other Person that, directly or indirectly, controls, or is controlled by, or is under common control with, such Person. For this purpose, 'control' (including, with its correlative meanings, 'controlled by' and 'under common control with') shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of a Person, whether through the ownership of securities or partnership or other ownership interests, by Agreement or otherwise.
- b. **'Encumbrance'** means a right, other than an ownership interest, in real property. The term includes mortgages and other liens on real property;
- c. **'The Board'** means the Board of Directors of the Joint Venture Company or the Directors present at a duly convened meeting of the Directors at which a requisite quorum is present.

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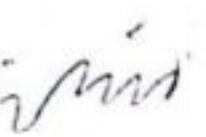
- d. '**Business day**' means a day on which banks are usually open for business.
- e. '**The Company**' means proposed Joint Venture Company to be formed
- f. '**JVC**' means Joint Venture Company.
- g. "**JVA**" means Joint Venture Agreement.
- h. '**Subsidiary**' and "holding Company" shall bear the same respective meanings as in the Companies Act;
- i. Reference to "Company" shall be to anybody corporate, wherever incorporated;
- j. "Reference to party and parties shall be construed as reference to a party or the parties to this Agreement"
- k. Any document referred to as being "in the agreed form" shall mean a document in a form agreed by the parties at the date of this Agreement and initialed by or on their behalf for identification purposes.
- l. References to "Articles" are to the Articles and schedules of this Agreement.

Article II

Constitution and Finance

Forthwith upon the execution of this Agreement the parties to the proposed JVC shall subscribe for ordinary shares as follows: -

- a. The Registered share Capital of **SUMAJKT SKYZON Company Limited** shall be **USD 5,800,000**
- b. The parties mutually agree and acknowledge that pursuant to the execution of this agreement, **Skyzon** shall contribute all the requisite finance, technical expertise, administrative, technical management workforce, skills base, equipment and expertise to the Venture valued at United States Dollars Two Million, Nine Hundred Fifty-Eight Thousand (**USD 2,958,000**) and it shall thus be entitled to **51%** ownership and interest of the Joint Venture Company. The machines, laboratories, equipment's and intellectual property rights subscribed herein shall



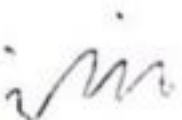
remain the property of SKYZON on termination of this Agreement. **Skyzon** shall fully provide its contribution within one year from the date of signing this JVA based on the SUMAJKT's contribution.

- c. The parties mutually agree and acknowledge that pursuant to the execution of this Agreement, **SUMAJKT** shall contribute free lease of land, workshops, show room, warehouses, offices (collectively reference as 'Real Properties') (the length of lease and right to free use those Real Properties by either party shall be at least as long as the term of joint venture as stated under Article XV starting from the latter of date of this Agreement, security for the project and goodwill worth (**USD 2,842,000**) which is equal to **49%** of the total number of shares of the JVC. The land workshops, warehouses and offices free leased herein shall remain the property of SUMAJKT on termination of this Agreement.
- d. Both parties shall participate in ensuring CKDs and SKDs are purchased within competitive market price .
- e. In case the JVA remains for one year from the date of signing without JVC commencing production ,the JVA shall automatically be terminated.
- f. If the JVC shall not generate profit for three consecutively years ,the parties shall terminate JVA and winding up of the JVC.
- g. Profit shall be distributed according parties shares, starting from the first year of production.

Article III **Shareholders Meeting**

- a. The parties shall ensure that a meeting of shareholders is held at which all the shares specified above shall be allotted to JVC respectively and registered in their names in the number respectively subscribed by them credited as fully paid. The shareholders shall have Annual General meeting to discuss Company matters. The shareholders may convene extraordinary and emergency General Meeting to resolve difficult Company matters which are beyond the powers of the Board.





b. Parties shall ensure that:

- (1) The registered office of the Company shall as appropriately be determined by Board of Directors of the Company.
- (2) The Auditors of the Company shall be appointed by the Board of JVC.
- (3) The Company's accounting reference date shall commence on 1st of January so that its first accounting reference period shall be from its date of incorporation to 31st of December (both dates inclusive).
- (4) The Bankers of the JVC shall be appointed by the Board of JVC.

c. Restrictions on Transfers

- (1) Except this Agreement is **terminated** by the parties under the circumstances as set forth below and the leaving party transfers **all its shares**, no Party shall sell, assign, transfer, encumber, or otherwise dispose of any interest in the JVC without the written consent of the other Party.
- (2) In the event that this Agreement is terminated and the leaving Party receives a bona fide offer for the purchase of all its interest in the Joint Venture, the Party shall either refuse the offer or give the remaining Party written notice setting out full details of the offer, which notice shall, among other things, specify the name of the offering Party, the percentage of interest in the Joint Venture covered by the offer, terms of payment, including whether the offer is for cash or credit, and, if on credit, the time and interest rate, as well as any and all other consideration being received or paid in connection with the proposed transaction, as well as any and all other terms, conditions, and details of the offer.
- (3) Upon receipt of the notice with respect to the offer, the remaining Party shall have the exclusive right and option, exercisable at any time during the period of ninety (90) days from the date of the notice, to purchase the interest in the JVC covered by the offer at the same price and on the same terms and conditions of the offer as set out in the notice.
- (4) If the remaining Party decides to exercise the option, the other Party shall give written notification of this decision to the Party desiring to sell,

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and the sale and purchase shall be closed within ninety 90 days thereafter.

- (5) If the remaining Party does not elect to exercise the option within the period, the leaving Party may transfer all its shares to the offeror who has been approved by the remaining Party.

Article IV Directors and Board Meetings.

- a. The Board of Directors shall be composed of seven [7] directors, of which four [4] directors shall be appointed by SKYZON, three [3] by SUMAJKT. Written notice stating the name of the appointed person shall be delivered by one party to the other parties prior to his or her appointment.
- b. The Director can be removed at any time by a party which chose him/her by issuing a prior written notice to the other party introducing a new Director. That party shall appoint another person to serve as Director for the remainder of the substituted director's term of the office. The term of the Director shall be three (3) years and may be re- appointed for another term.
- c. At all times whilst this Agreement remains in force both Parties shall ensure that the number of Directors shall be not less than five (5) and not more than seven (7) subjects as otherwise expressly provided in this Agreement. Each party shall be entitled to appoint the number of Directors stated under the provision of this Article.
- d. The chairman of the board shall be the director appointed by SKYZON, and the vice-chairman shall be the director appointed by SUMAJKT. The chairman of the board shall be the legal representative of the Company, Both Parties agree to approve the SKYZON's appointment at a duly convened shareholders meeting. He/she shall be a non executive in the affairs of the company and shall hold the position for a term of three (3) years. Provided that upon expiration of his/her term he can be reappointed. In case the chairman is unable to exercise his duties, he or

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she shall authorize the vice-chairman or any other director to represent the Company temporarily. The chairman of the board shall exercise its duties in the scope specified by the board.

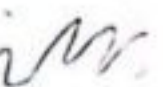
- e. No salary or wages shall be paid to the directors by the Company except for the meeting allowances to be agreed in the General meeting of the company.
- f. Unless otherwise agreed the parties shall ensure that Board meeting of the Company be convened and held at least four (4) times a year and that a written agenda specifying the matters to be raised at any Board meeting shall be sent to all Directors (or their alternates) entitled to receive notice of any such meeting together with the notice convening the meeting as required at least seven days prior to such meeting.
- g. No resolution may be passed at any Board Meeting unless in any particular case, both parties otherwise agree in writing. In case there's no agreement the members will vote on passing the resolution.
- h. **While this Agreement remains in force, the parties shall ensure and agree that:-**
 - (1) The general nature of the business of the JVC and its subsidiaries (if any) shall not be changed from that described under Article V unless so changed by special resolution passed by the **Board of Directors and shall finally be approved by both Parties at a duly convened shareholders meeting.**
 - (2) No change shall be made in the authorized or issued share or loan capital of the Company nor shall any option or right to subscribe be granted to any person over any share or loan capital or the Company and no securities convertible into such share or loan capital shall be issued, save that there shall be permitted an issue of ordinary shares which is made pursuant to a "permitted share issue" as defined below.
 - (3) No alteration shall be made in the Memorandum or Articles of association of the Company or the rights attaching to any class of shares therein unless with the approval of the shareholders.

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- (4) A resolution shall be passed for the winding up of a Company if it becomes insolvent or a nonprofit making entity or terminated or at expiry of the JV. Any party shall have the right to petition or proposes for winding up if serious disputed has arisen between the parties necessitating the same.
 - (5) No new equity interest in the Company shall be created or conferred on any person (including any of the parties hereto) including but not limited to any arrangements for sharing income or profits any other interest whether in the form of shares, convertible securities or loan stock or capital convertible into shares.
- i. The Company shall not without approval by both parties (shareholders) namely to:-**
- (1) Acquire, whether by formation or otherwise, any subsidiary or effect or permit the disposal of its interest, directly or indirectly in any subsidiary, whether by sale, allotment or issue of any shares or securities convertible into shares.
 - (2) Sell, transfer, lease, license or in any way dispose of all or a material part of its business, undertaking or assets, whether by a single transaction or series of transactions related or not otherwise, than in the ordinary course of the Company's business.
 - (3) Borrow any sum of money from the Company's bankers in the ordinary and usual course of business or from JVC specific sourcing.
 - (4) Enter into any operating lease either as lessor or lessee of any property, plant or equipment exceeding 5 years or involving aggregate premium and annual rental payments for the operating lease in questing in excess of Tanzania Shillings 100,000,000/=.
 - (5) Discount any debts of the Company.
 - (6) Make any loan or advance or otherwise give credit other than credit given in the normal course of the Company's business to any person except for the purpose of making deposits with its bankers.





- (7) Give any guarantee, bond or indemnity in respect of or to secure the liabilities or obligations of any person (other than a wholly owned subsidiary of the Company).
- (8) Create or issue any debenture, mortgage, charge or other security over any assets of the Company, except for the purpose of securing sums borrowed by the Company from its bankers in the ordinary and usual course of Business.
- (9) Acquire any share or loan capital of anybody corporate (including that of the Company or any subsidiary) or enter into any partnership or profit-sharing arrangement with any person.
- (10) Declare or pay any dividend or other distribution in respect of any share capital of the Company.
- (11) Enter into or make any material change to any contract or transaction with any of the parties or their respective subsidiaries or holding companies or persons connected with any of them except as expressly authorized in this Agreement.
- (12) Enter into any license or other similar agreement relating to intellectual property to be licensed to or by the Company, which is otherwise than in the ordinary course of business.
- (13) Enter into or make any material change to any contract of employment with any Director or Senior manager of the Company whatever his title or job description including any increase in salary, other than any increase budgeted for in any agreed Business Plan.
- (14) Enter into any Contract of Employment or for the provision of services to the Company by any specified individual which cannot be terminated on less than 6 months notice, without payment of Compensation other than statutory compensation or vary any such contract so that it cannot be terminated.
- (15) Enter in to any agreement for consultancy or management services which will, or is likely to, result in the company being managed

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otherwise than by its directors or which involves a consideration exceeding Tshs.50,000,000/=a year.

- (16) Change the auditors of the company or effect any significant change in the accounting principles and practices for the time being adopted by the company.
- (17) Adopt or amend once adopted any Business Plan.
- (18) Change the names or the scope of authority of the persons authorized to sign cheques or other financial instruments on behalf of the Company.

Article V Business of the Company

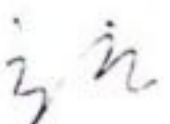
- a. The business scope of the Company shall include, but not limit to the production, assembly and sale of LED light products, Solar panel assembling line, Pole equipment and the other relevant products.
- b. The business shall be carried on by the Company itself or through branches or subsidiary companies established in Tanzania or elsewhere and the company shall establish such offices, agencies or other premises as the Board JVC may decide.

Article VI Specific Obligations of the Parties

a. Obligations of SKYZON

- (1) SKYZON shall provide the Company with reasonable assistant with respect to the installment of the LED outdoor lighting and solar energy lighting assembling line, in addition with the establishment of LED laboratory in providing with testing equipment.
- (2) SKYZON shall provide the Company with all requisite finance, technical expertise, administrative, technical management workforce, skills base, equipment and expertise machines, equipment's, laboratories, intellectual property, know-how, supplies and materials





for LED light assembly, and assist the Company to procure the supplies and materials from abroad which the Company considers should be imported.

- (3) To assist the Company with installation of equipment, the support of exhibitions, the full comprehensive technical support and cooperation for Period of this Agreement.
- (4) To formulate the standards for recruiting, evaluating and promoting its employees and in training its management and technical personnel.
- (5) To assist the Company to acquire or be permitted with the usage of quality and testing certificates in name of SKYZON.
- (6) To assure to manufacture and trade products marked with the Trademark SUMAJKT SKYZON in Tanzania.
- (7) To assist the Company to launcher the localization innovates and studies of LED light, with realization of native manufacture of 80% of LED light accessories and introduction the painting line within 5 years.

b. Obligations of SUMAJKT

- (1) To be responsible for applications for approval, registration, obtaining of business license and practice license of Company etc. from relevant governmental authorities in Tanzania.
- (2) To coordinate the relationship between the Company and relevant governmental departments.
- (3) To assist the Company to apply to customs for the import machinery and equipment, and also to arrange the transportation and installation within Tanzania territory to the extent permitted by the governmental policy.
- (4) To assist the Company to recruit appropriate and competent local management, senior technical personnel and other employees, and assist the foreign workers and staff of the Company and SKYZON or/and SKYZON's affiliates in applying for entry visas, work permit

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and processing their travel arrangements.

- (5) Shall provide the free lease of land, workshop, warehouse, show room and offices belonging to SUMAJKT, these properties shall remain solely property of SUMAJKT at the expiry or termination of the JV and shall not be counted as collateral of the JVC.
- (6) To assist the Company to obtain the basic infrastructure facilities of metered electricity, water, gas, drainage, communication according to the business scale and facilities of the Company, the accessorial facilities of electricity, water, gas, oxygen, drainage, communication, transportation etc., and the independent computation instruments used in above-said accessorial facilities. The Company will pay the public utility departments for usage fees in accordance with the usage amounts indicated by the independent computation instruments.
- (7) To assist in applying to the local tax authorities for obtaining all favorable tax treatment in accordance with Tanzania law, regulation and other provisions and assist in obtaining the applicable favorable tax treatments.

Article VII **Finance for the Company**

Finance for the business of the Company shall be provided by subscriptions under the terms as agreed article II and the Board may obtain loans from the Company's bankers to be approved by shareholders at a duly convened shareholders meeting.

Article VIII **Accounting matters and dividend policy**

The parties shall ensure that:-

- a. The profits of the Company shall be distributed by the Parties in accordance with their share ratios in the registered capital of the Company respectively. Each Party shall bear the operation risks and responsibilities of the Company to the extent of their contribution

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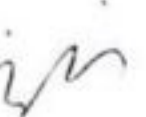
respectively. The profit division of the Company shall be decided by the Board of Directors through board resolution, except as otherwise stated in this Agreement.

- b. The Company and each subsidiary shall at times maintain accurate and complete Accounting and other financial records in accordance with the requirements of all applicable laws and generally accepted accounting principles applicable in Tanzania.
- c. Management accounts and reports containing such information as each party shall reasonably require be prepared and dispatched by the Company to the parties as required.
- d. Each Party and its respective Authorized Representatives shall be allowed access at all reasonable times to examine the books and financial record of the Company.
- e. The Company shall, after paying income tax, payment of dividend, set aside out of the remaining profits for the reserve fund, the enterprise expansion fund, the welfare and employee-award fund the rate of which shall be determined by the Company in accordance with the provisions of relevant Tanzania laws and regulations, and the situation of the Company.

Article IX

Auditing

- a. An accountant registered in Tanzania shall be retained by the Company as the auditor to audit the annual financial reports, the Contribution Certificates for the Parties, the liquidation financial reports of the Company, and other financial documents that are required by the Board of Directors. Both Parties agree that the accountant shall be jointly appointed by the Parties and be retained by the Board of Directors.
- b. Bank Account and Foreign Exchange Management shall be as follows:
 - (1) The Company shall open USA dollar (\$) and local currency of Tanzania in the bank agreed by the parties.



- (2) Any disposal of foreign currency by the Company shall comply with the provisions of Tanzania laws, regulations and this Agreement.

Article X

Operation and Management Organization

a. The Company shall establish operation and management organization which is composed of General Manager and Chief Financial Officer to conduct the daily operating management of the company. The Company adopts the system of job responsibility for general manager under the leadership of the Board of Directors.

b. General Manager

- (1) The General Manager shall be nominated by SKYZON Both Parties agree and shall direct the Board of Directors to confirm the nominee as the General Manager. The General Manager shall be employed according to the labor contract signed by him or her and the Company. Should the General Manager be dismissed or unable to act as manager due to retirement, resignation, disease, disability or death, SKYZON shall appoint another person in lieu of him/her.
- (2) The term of office for the General Manager is three (3) years. The General Manager's term of office may be renewed if continuously appointed by SKYZON.
- (3) The General Manager shall be responsible for daily operation and management of the Company subject to the authorization of Board of Directors, The General Manager shall be responsible to the Board of Directors and implement the matters entrusted by the Board of Directors.
- (4) Unless otherwise authorized by the board in advance, the General Manager shall not concurrently hold the office of legal representative or senior management of other economic entities or have any connections with other companies competing with the Company.

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- (5) The General Manager shall be responsible for establishing the policies and regulations of the Company to be approved by the Board of Directors, deciding and establishing responsibilities of each department, and instructing and supervising the activities of all departments.
- (6) Where General Manager engages in malpractice for selfish ends, he / she may at any time be removed from his / her post by the Board of Directors. Should the General Manager himself resign, he / she shall present the Board of Directors with a written resignation letter three (3) months prior to the time he formally resigns.

c. **Vice-General Manager**

- (1) The Vice-General Manager shall be nominated by SUMAJKT Both Parties agree and shall direct the Board of Directors to confirm the nominee as the Vice-General Manager. The Vice-General Manager shall be employed according to a labor contract signed by him or her and the Company and he/she should be the local citizen of Tanzania. Should the Vice General Manager be dismissed or unable to act as vice general manager due to retirement, resignation, disease, disability or death, SUMAJKT shall appoint another person in lieu of him / her.
- (2) The term of office of the Vice General Manager is three (3) years, and the term of office may be renewed if continuously appointed by SUMAJKT.
- (3) The Vice-General Manager shall assist the General Manager in dealing with the daily operation and management of the Company, and implement the matters entrusted by the General Manager.
- (4) Unless otherwise authorized by the Board in advance, the Vice-General Manager shall not concurrently hold the office of legal representative or senior management of any other economic entities or have any connections with other companies competing with the Company.
- (5) Where the Vice-General Manager engages in malpractice for selfish

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ends, he / she may at any time be removed from his / her post by the Board of Directors. Should the Vice-General Manager himself resign, he or she shall present the Board of Directors with a written resignation letter three (3) months prior to the time he or she formally resigns.

d. Chief Financial Officer

- (1) Chief Financial Officer (hereinafter referred to as 'CFO') shall be nominated by SKYZON, Both Parties agree and shall direct the Board of Directors to confirm the nominee as the Chief Financial Officer. The CFO shall be employed according to the labor contract signed by him or her and the Company. Should the CFO be dismissed or unable to act as CFO due to retirement, resignation, disease, disability or death, SKYZON shall appoint another person in lieu of him/her.
- (2) The term of office for the CFO is three (3) years, which term of office may be renewed if continuously nominated by SKYZON and appointed in accordance with d (1) hereof.
- (3) The CFO shall be responsible for the finance and accounting of the Company.
- (4) The CFO shall submit annual and quarterly finance report to the Board of Directors and the General Manager of the Company.
- (5) Unless otherwise authorized by the Board in advance, the CFO shall not concurrently hold the office of legal representative or senior management of any other economic entities or have any connections with other companies competing with the Company.
- (6) Where the CFO engages in malpractice for selfish ends, he / she may at any time be removed from his / her post by the Board of Directors. Should the CFO himself resign, he or she shall present the Board of Directors with a written resignation letter three (3) months prior to the time he or she formally resigns.

e. Deputy Finance Officer (DFO)

- (1) The DFO shall be nominated by SUMAJKT and confirmed by the Board of Directors. The DFO shall be employed according to a labor

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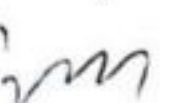
contract signed by him or her and the Company and he/she should be the local citizen of Tanzania. Should the DFO be dismissed or unable to act as DFO due to retirement, resignation, disease, disability or death, SUMAJKT shall appoint another person in lieu of him / her.

- (2) The term of office of the DFO is three (3) years, and the term of office may be renewed if continuously appointed by SUMAJKT
- (3) The DFO shall assist the CFO in dealing with the daily operation and management of the Company, and implement the matters entrusted by the CFO.
- (4) Unless otherwise authorized by the Board in advance, the DFO shall not concurrently hold the office of legal representative or senior management of any other economic entities or have any connections with other companies competing with the Company.
- (5) Where the DFO engages in malpractice for selfish ends, he / she may at any time be removed from his / her post by the Board of Directors. Should the DFO himself resign, he or she shall present the Board of Directors with a written resignation letter three (3) months prior to the time he or she formally resigns.

f. Financial Business Plan

The parties shall ensure that the Management of the Company prepares an annual budget, report and financial projections which shall contain the following: -

- (1) An estimate of the working capital requirements of the Company incorporation within a cash flow statement together with an indication of the amount (if any) which it is considered prudent to retain out of the previous financial year's distributable profits to meet such working capital requirements.
- (2) A projected profit and loss Account.
- (3) An operating budget including estimated capital expenditure requirements and balance sheet forecast.
- (4) A review of the projected business and



- (5) A summary of the business

Article XI

Intellectual Property of the Company

- a. Any Intellectual Property Rights (other than those owned or licensed by a Party or any third party) arising in the course of the Company's activities or developed by the Company shall belong to the Company. The Parties agree to work together to procure that the Management Personnel and other employees of the Company establish a system for identifying, filing and/or registering all relevant Intellectual Property Rights developed by employees of the Company in the name of the Company.
- b. The Parties shall use their best endeavors to procure that all employees of the Company will enter into standardized employment contracts which shall include customary and reasonable and consistent non-competition and invention assignment provisions, to ensure that as far as possible under Applicable Laws of Tanzania, the benefit of all inventions by the employees of the Company shall be reserved to, and shall be the property of, the Company.

Article XII

Import of Equipment

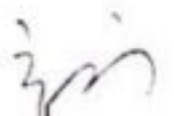
In the event that the import permits or special import permits for the equipment are required, the Company shall arrange in accordance with applicable Tanzania Laws and regulations.

Article XIII

Promotion of Company's Business

Each of the parties to this Agreement covenants with each other to use all reasonable endeavors to promote and develop the business of the Company





to the best advantage in accordance with good business practice and the highest ethical standards.

Article XIV Confidentiality

- a. Each of the parties shall at all times keep confidential and to ensure that its respective employees, agents and representatives keep confidential any information of a confidential nature which it or they may acquire in relation to the Company and its subsidiaries or in relation to the clients, business or affairs of every other party or of the Company or of any of the Company's subsidiaries and shall not use or disclose such information except with the consent of every other party or of the Company or its relevant subsidiary (as appropriate) or in accordance with the order of a court of competent jurisdiction or, in the case of information relating to the Company or any of its subsidiaries, for the advancement of the business of the Company or the relevant subsidiary.
- b. The parties shall ensure that the officers, employees and agents of each of them shall observe a similar obligation of confidence in favor of the parties to this Agreement.

Article XV Term of Joint Venture

The **JV** is valued and binding for a period of Eight (8) years commencing on the 13th day of December 2023 ,renewable by the consent of both parties.

Article XVI Termination Of This Joint Venture

- a. With the approval of relevant administrative authorities, the Parties shall lawfully terminate the joint venture, should any of the following occurs:

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- (1) The accumulated losses of the Company reach 80% of registered capital,
- (2) The board of directors meeting will not be held for two consecutive years, or the directors cannot agree on the management policies of the Company, which causes that the operation and management of the Company cannot be properly and effectively carried out,
- (3) Due to force majeure which results in the failure of the Company to operate continuously,
- (4) If, after the conclusion of this Agreement, Tanzania releases new laws, new regulations or new decrees that apply to the Company or to the Parties, which causes that the interests of the Company expected by the Company and both Parties in accordance with this Agreement cannot be substantially achieved,
- (5) Where the Parties agree in writing, or in the event that one of the following events arises, any Party shall be entitled to notify the other party in writing of the termination of the joint venture prior to the expiry of the term of joint venture, and this Agreement shall be terminated as of the date of delivering the notification: -
 - i. One party materially violates this Agreement and fails to rectify the breach within ninety (90) days of delivery of written notification from the other parties;
 - ii. Any party becomes bankrupt, liquidated, dissolved, or ceases operation, the date of notice being sending shall be treated as the date of delivering the notice.
- (6) Any party shall have the right to **terminate** this Agreement by serving six (6) months prior notice to the other party. Such termination shall initiate share transfer or winding proceedings of the Company as per the company Act.
- (7) On termination of this contract the machines, assets and properties (including but not limited to intellectual property rights) of the company acquired during the execution of the contract except for the properties stated under article **II b and c** shall be divided to the parties according to the share percentage.

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- (8) In case the JVA remains for one year from the date of signing without JVC commencing production ,the JVA shall automatically be terminated.
- (9) If the JVC shall not generate profit for three consecutively years ,the parties shall terminate JVA and winding up of the JVC.

Article XVII

Tax matters

The management of the company at all times shall comply with the tax laws of Tanzania when executing all the business of the company.

Article XVIII

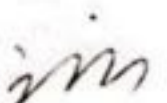
Liquidation

In the event that the term of joint venture comes due or this Agreement is terminated prior to its maturity date, the Board of Directors shall pass the resolution of the Company in accordance with relevant laws and regulations of Tanzania.

Article XIX

Governing Law and Interpretation of this Agreement

The conclusion, effectiveness, execution and interpretation of this Agreement shall be governed by the **Law of United Republic of Tanzania**. Both Parties agree that if new laws or regulations are promulgated which affect the Company; the Parties shall accordingly amend the relevant provisions of this Agreement to be in compliance with the amended law and regulation, or interpret this Agreement from the perspective more favorable to the Company in accordance with the provision of the new laws and regulations.



Article XX Arbitration

- a. The Parties agree that, in the event that there is any conflict in the interpretation and performance of this Contract during the course of the performance of this Contract or in the event that there arises any dispute from or in connection with this Agreement, they shall first seek to resolve the dispute through amicable discussion. In the event that the resolution cannot be realized through discussion, the parties agree to resolve their disputes through Tanzania Institute of Arbitrators under its Arbitration Rules. Any aggrieved party shall notify the other about the breach and the extent of the breach. If the breach is not rectified, each party shall appoint one qualified Arbitrators and the two shall appoint the Chairman to constitute the Arbitral Tribunal.
- b. Where the parties fail to appoint the Arbitrators in clause XX.a above, The Tanzania Institute of Arbitrators shall appoint Arbitrators for them.
- c. The place of Arbitration shall be Tanzania and shall be conducted in Dar es Salaam.

Article XXI Miscellaneous

- a. **Severability**, If any article of this Agreement is determined to be void, the validity of the remainder of this Agreement shall not be affected.
- b. Any and all documents signed by and between the parties during the period of negotiation of this Agreement, as well as the appendixes, are the indivisible parts of this Agreement. In event of discrepancy, the Agreement shall prevail.
- c. **Force Majeure**
In the event that earthquake, typhoon, flood, fire, war and the needs of governmental public project or any other unforeseeable force majeure accidents, whose occurrence and effect are unavoidable and are not able to be foreseen by the Parties, directly affect the performance of this Agreement, or make it impossible to carry out this Agreement in accordance with the conditions agreed upon, the party facing force majeure shall inform the other party by means of telegraph or fax, shall

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provide the details relating to the force majeure and any other effective evidence proving the impossibility of performance, partial impossibility of performance or delayed performance of this Agreement.

d. Language and Copies

This Agreement shall be made in English. This Agreement is made in four (4) copies, with each party holding two (2) copies. Two (2) copies shall be submitted to appropriate examination and approval authorities for approval.

e. Amendment

This Agreement shall be capable of being amended from time to time by an instrument executed by both parties for the time being. Any party shall have the right to propose for amendment and parties shall promptly meet to discuss the same. The proposing part shall save a notice to the other party of not less than thirty (30) days.

f. Supremacy and Specific Covenant.

If any provision of this Agreement conflicts the provision of the Companies Act or the Articles of Association, the provision of Companies Act shall prevail.

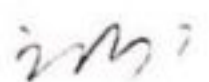
g. No exercise or failure to exercise or delay in exercising any right power or remedy vested in any party under or pursuant to this Agreement shall constitute a waiver by that party or any other right, power or remedy.

h. Nothing in this Agreement shall be deemed to constitute any party the agent of the other party or otherwise entitle any party to have authority to bind other party for any purpose.

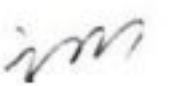
i. Both parties shall bear costs of or in connection with the preparation of this Agreement.

j. No party shall be entitled to make or permit or authorize the making of any press release or other public statement or disclose concerning this Agreement or any of the transactions contemplated by it without the prior written consent of the other.





- k. This Agreement together with related documents constitute the entire Agreement between the parties in relation to the subject matter of it and supersedes all prior Agreement and understandings whether oral or written in respect to that subject matter. No variation of this Agreement shall be effective unless it complies with provision (e). of this Article XXI. hereto.
- l. No party shall be allowed to sell or transfer her shares or part of her shares to the third party without written approval of the other party.
- m. Any party to this Agreement shall not be held liable for failure to perform its obligation if such failure is due to or caused by Force Majeure as defined under (c) of this Article.
- n. Party shall mutually agree concerning organization structure of JVC and personnel to be employed from time to time.
- o. All decisions shall be passed by voting and all the parties shall have equal right to vote pass resolutions.
- p. Profit shall be shared on the basis of percentage of shares held by each party in the JVC.
- q. Whenever this Agreement is terminated or JVC wound up or Shares transferred by one part, the land workshops, warehouses and offices free leased herein shall automatically remain the property of SUMAJKT and the machines, laboratories and equipment's subscribed herein shall automatically remain the property of SKYZON. It shall be tabled however the plants and machines procured during the execution of this Agreement shall be valued and disposed in the manner to be agreed by both parties. SKYZON shall also be required to vacate the premises if wishes to proceed with the JVC.



Article XXII
Notices

- a. Any notice to be given by any party to this Agreement shall be in writing and shall be deemed duly served if delivered personally or sent by fax, E-Mail or by prepaid registered post.
- b. Addresses shall be as follows:-

(1) **FOR SUMAJKT**

The Chief Executive Officer
National Service Corporation Sole
P. O. Box 1694 Dar es Salaam
Mob: + 255 754816013
Mob: + 255 714850988
Email: info@sumajkt.go.tz

(2) **FOR SKYZON**

The Managing Director,
SKYZON INTERNATIONAL GROUP LIMITED,
P.O.Box 79575, House No 6, Road Mzinga Way, Street Oysterbay,
Plot No. 1359 Dar es Salaam, Tanzania
Mob no: +255786505050
Email: tanzania@everlite.cc

IN WITNESS WHEREOF the parties hereto executed have this Agreement in the presence of the person mentioned below on the day and year first above written.

Signed and delivered

for and on behalf of **SUMAJKT**

Name ... COL PETRO ELIKANA NGATA

Signature..... [Handwritten Signature]

Designation..... EXECUTIVE DIRECTOR



In the presence of

Name MAJOR JAMALI MOHAMMED

Signature.....

[Handwritten signature]

Designation..... DIRECTOR OF TRAIN SERVICES

Signed and delivered

for and on behalf of **SKYZON**

Name TAO ZHANG

Signature.....

[Handwritten signature]

Designation..... CEO



In the presence of

Name VICTOR MADRUA

Signature.....

[Handwritten signature]

Designation..... DIRECTOR

[Handwritten signature]