

DADVANCE AGARWOOD SOLUTION SDN BHD
(Company No. 201901028166 / 1337495-U)

as **"The Company"**

and

TAN SIN LIAN INDUSTRIES SDN. BHD.
(Company No. 204308-D)

as **"The Owner"**

JOINT VENTURE AGREEMENT



LEMBAGA HASIL DALAM NEGERI MALAYSIA
W.P KUALA LUMPUR (DUTI SETEM)
KARUNG BERKUNCI 00010
PEJABAT POS BESAR
JALAN TUANKU ABDUL HALIM
50990 KUALA LUMPUR

Telefon : 03-62091000
samb. : 123013,
123014, 123010,
123016, 123418,
123006, 123003
Fax : 03-62011419
www.hasil.gov.my

Bil Surat Tuan :
Tetuan/Tuan/Puan
Tan Sin Lian Industries Sdn Bhd
No. 1-14, Jalan Indah 2, Taman Indah,, Jalan Haji Abdullah,
84000 Muar
Johor

Nombor Adjudikasi: G01D1F9E15XW012

Tarikh: 05/03/2023

Tuan,

NOTIS TAKSIRAN PENYETEMAN AM (DUTI TETAP)

Jenis Surat cara : JOINT VENTURE AGREEMENT

Permohonan tuan bertarikh **21/02/2023** di bawah Seksyen 36, Akta Setem 1949 dirujuk.

2. Dimaklumkan duti sebanyak **RM 65.00** kena dibayar mengikut pengiraan seperti lampiran.
3. Sila jelaskan duti tersebut selewat-lewatnya pada **04/04/2023**. Bayaran boleh dibuat kepada Pemungut Duti Setem:

- a) Secara elektronik melalui Financial Process Exchange (FPX) atau
- b) Di kaunter Pejabat Setem / Pusat Khidmat Hasil secara:

- Bank Deraf atau
- Cek Akaun Anak Guam atau
- Kiriman Wang atau
- Wang Pos atau
- Tunai

4. Kelewatan membayar duti boleh dikenakan penalti di bawah Seksyen 47A, Akta Setem 1949.

Sekian, terima kasih.

"BERKHIDMAT UNTUK NEGARA"
"BERSAMA MEMBANGUN NEGARA"

PEMUNGUT DUTI SETEM LHDNM

Cetakan komputer ini tidak memerlukan tandatangan.

PENGIRAAN DUTI YANG DIKENAKAN**Bhg. A: Penyeteman Am**

(a) Duti yang sepatutnya dikenakan	RM	10.00
(b) Tolak amaun duti yang diremitkan/dikecualikan	RM	0.00
(c) Duti yang dikenakan	RM	10.00
(d) Penalti yang dikenakan**	RM	25.00
(e) Salinan	RM	30.00
(f) Jumlah besar duti yang kena dibayar	RM	65.00

**** Penalti**

Sesuai dokumen hendaklah disetemen dalam tempoh 30 hari dari tarikh ianya disempurnakan dalam Malaysia atau dalam tempoh 30 hari selepas ia diterima dalam Malaysia sekiranya ia disempurnakan diluar Malaysia. Sekiranya ia tidak disempurnakan dalam tempoh yang ditetapkan, penalti sebanyak :

(a) RM25.00 atau 5% daripada duti yang berkurangan, yang mana lebih tinggi, sekiranya ia disetemen dalam tempoh 3 bulan selepas masa untuk penyeteman.

(b) RM50.00 atau 10% daripada duti yang berkurangan, yang mana lebih tinggi, sekiranya ia disetemen selepas tempoh 3 bulan tetapi tidak lewat daripada 6 bulan selepas masa untuk penyeteman.

(c) RM100.00 atau 20% daripada duti yang berkurangan, yang mana lebih tinggi, sekiranya ia disetemen selepas 6 bulan selepas masa untuk penyeteman.

Salinan Kepada:

Jonathan & Joshua
Penthouse, Kompleks Selangor,
Jalan Sultan,
50000 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur



KERAJAAN MALAYSIA

IBU PEJABAT
LEMBAGA HASIL DALAM NEGERI MALAYSIA
 MENARA HASIL
 PERSIARAN RIMBA PERMAI
 CYBER 8, 63000 CYBERJAYA
 SELANGOR DARUL EHSAN

**SIJIL SETEM**

ASAL

STAMP CERTIFICATE

(Sila lekatkan sijil setem ini ke atas surat cara sebagai bukti penyeteman)
 Please attach this stamp certificate to the instrument as evidence of stamping

Cara Bayaran *Payment Method*

BILL PAYMENT

No. Adjudikasi *Adjudication No.*

G01D1F9E15XW012

Jenis Surat Cara

JOINT VENTURE AGREEMENT

Type Of Instrument

SURAT CARA UTAMA

Tarikh Surat Cara

04/01/2023

*Date Of Instrument***Balasan** *Consideration*

RM 0.00

Maklumat Pihak Pertama / Penjual / Pemberi *First Party / Vendor / Transferor / Assignor*

DADVANCE AGARWOOD SOLUTIONS SDN BHD, (1337495-U, 201901028166)

Maklumat Pihak Kedua / Pembeli / Penerima *Second Party / Purchaser / Transferee / Assignee*

TAN SIN LIAN INDUSTRIES SDN BHD, (204308-D, 199001012738)

Butiran Harta / Suratcara *Property / Instrument Description*

TANAMAN POKOK GERHARU



Dengan ini disahkan surat cara ini disetem dan diindors seperti maklumat di bawah:

This is to certify this instrument is stamped and indorsed as below:

No. Sijil Setem <i>Stamp Certificate No.</i>	W0123A230174003
Tarikh Penyeteman <i>Date of Stamping</i>	06/03/2023
Duti Setem Dikenakan <i>Amount of Stamp Duty</i>	RM 10.00
Penalti <i>Penalty</i>	RM 25.00
Pelarasan <i>Adjustment</i>	RM 0.00
Jumlah Dibayar <i>Total Amount Paid</i>	RM 35.00
Indorsemen <i>Indorsement (Akta Setem 1949)</i>	Seksyen 37

LEMBAGA HASIL DALAM NEGERI
MALAYSIA

Pemungut Duti Setem

No. Kelulusan Perbendaharaan *Treasury Approval No.* : KK/BSKK/10/600-2/1/2(60)Tarikh Cetak *Printed Date* : 06/03/2023 10:10:02

Pengesahan ketulenan Sijil Setem ini boleh dipastikan di stamps.hasil.gov.my atau melalui aplikasi telefon pintar

The authenticity of this Stamp Certificate can be verified at stamps.hasil.gov.my or by mobile app

Ini adalah cetakan komputer dan tidak perlu ditandatangani

This is a computer generated printout and no signature is required

--- tamat/end ---

AN AGREEMENT made this 4th day of January 2023,

between

DADVANCE AGARWOOD SOLUTION SDN BHD (Co. No. 201901028166 / 1337495-U), a Malaysian company, with a registered office located at No. 28-3, Jalan PJU 5/10, Dataran Sunway, Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan (hereinafter referred to as the **"THE COMPANY"**),



AND

TAN SIN LIAN INDUSTRIES SDN. BHD. (Co No. 204308-D), a Malaysian company, with a registered office located at No. 1-14, Jalan Indah 2, Taman Indah, Jalan Haji Abdullah, 84000 Muar, Johor (hereinafter referred to as the **"THE OWNER"**).

THE COMPANY and THE OWNER shall hereinafter be referred to collectively as "Parties" and reference to "Party" shall mean either one of them, as the case may be).

RECITAL

- A. THE COMPANY is a company incorporated in Malaysia under the Companies Act 1965. THE COMPANY represents that it is an expert in the cultivation, inoculation and harvesting of Aquilaria trees and having its nature of business in plantation, inoculation, cultivation, marketing and to conduct research and development of agricultural commodity in relation to Aquilaria trees and its related products.
- B. THE OWNER is the registered proprietor of the said Land upon which the Aquilaria trees are grown on the Demarcated Site, a copy of the title is annexed herewith under Schedule 1. The said Land is currently planted with Aquilera trees.
- C. THE COMPANY has inspected the said Land and all the Aquilera trees planted thereon and THE COMPANY has identified approximately Two Thousand One Hundred Seventy-Seven (2,177) Aquilaria trees located on the Demarcated Site (**"the Aquilaria trees"**) suitable for

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the purpose of inoculation and harvesting and is desirous to cooperate with THE OWNER to inoculate, to harvest and to purchase the Aquilaria trees.

- D. With a view to effectively and successfully operate this Joint Venture, the Parties have agreed to enter into this non-incorporated Joint Venture Agreement (hereinafter referred to as the “**Agreement**” or “**Joint Venture**” as the case maybe) to regulate their relationship and this Agreement sets out the basis upon which the Parties shall establish the joint venture for the purpose of efficiently and successfully operate the obligations and responsibilities of the respective parties herein.



NOW, THEREFORE, in consideration of the foregoing, and of the mutual covenants and commitments set forth herein, the parties hereto agree as follows:

1. DEFINITIONS AND INTERPERATIONS

1.1 DEFINITIONS.

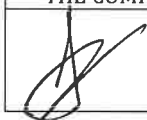

In this agreement including the Recitals:

- | | | |
|-----|---------------------|---|
| (a) | “Agreement” | means this Joint Venture Agreement; |
| (b) | “Business Day” | means a day which is not a public holiday in the State of Selangor and/or Federal Territory of Kuala Lumpur and/or Johor. |
| (c) | “Commencement Date” | Means the date specified in Clause 6.1 of this Agreement. |
| (d) | “Demarcated Site” | means the part of the said Land upon which the Aquilaria trees are grown. |



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- (e) "the Aquilaria trees" Means approximately the Two Thousand One Hundred Seventy-Seven numbers (2,177) of Aquilaria trees referred to in Clause 4.1A(b) herein the location and particulars of which are within the knowledge of the Parties herein.
- (f) "the said Land" means all that piece of land held under Geran 117984 Lot 6679 Mukim Sri Menanti, Daerah Muar, Johor.
- (g) "the Site Works" Means THE COMPANY's work and responsibility of tabulating, recording, inoculating, cultivating and harvesting (which shall include root removal).
- (h) "the Total Works" Means the Site Works and THE COMPANY's marketing and selling of the produce of the Aquilaria trees
- (i) "Ringgit Malaysia" Means the lawful currency of Malaysia
"RM" and "Sen"

- 1.2 Reference to any statute or statutory provision includes a reference to that statute or statutory provision as from time to time amended or re-enacted.
- 1.3 Words importing the singular number shall include the plural and vice versa.
- 1.4 Words importing the masculine gender shall include the feminine and neuter gender and vice versa.
- 1.5 Words importing a person shall include body corporate, unincorporated associations and partnership.

THE COMPANY	THE OWNER
	



- 1.6 An "amendment" includes any variation, deletion or addition and amended shall be construed accordingly.
- 1.7 An "approval" or "consent" is a reference to an approval or consent in writing and "give approval" or "give consent" and similar phrases shall be construed accordingly.
- 1.8 Where any words or expression is defined in this Agreement the definition shall extend to all grammatical variations and cognate expressions of the word or expression so defined.
- 1.9 The headings to the clauses paragraphs schedules and appendixes are inserted for ease of reference only and shall not affect the interpretation or construction of this Agreement.
- 1.10 The schedules and appendixes annexed to this Agreement shall be construed and read as essential part of this Agreement provided that in the event of any conflict between schedules and appendixes and the clauses of this Agreement, the clauses of this Agreement shall prevail.
- 1.11 The words "hereof", "herein," "hereto" or "hereunder" and words of similar import wherever used shall refer to this Agreement as a whole and not to any particular clause only.
- 1.12 Where an act is required to be done within a specified number of days after or from a specified date, the period is inclusive of and begins to run from the date so specified and where an act is required to be done by a specified date the period is inclusive of and ends on the date so specified.
- 1.13 Where the covenants and/or undertakings under this Agreement are given or executed by two or more persons collectively as one of the Parties hereto all agreements, covenants, guarantees stipulations and undertakings expressed to be made by and on the part of such persons shall be and are binding upon such persons jointly and severally and the bankruptcy or insolvency of any one or more of such persons shall in no way operate to release the other or others of his or their respective obligations and liabilities hereunder.
- 1.14 The term "year" shall mean a period of 365 days.
- 1.15 The term "month" shall mean a Gregorian calendar month.

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- 1.16 The expression "day and/or days" wherever used in this Agreement means any business day on which the banks are open for business in the State of Selangor or Penang, Malaysia.
- 1.17 Where under or pursuant to this Agreement or anything done hereunder the day on or by which any act, matter or thing is to be done is not a business day, such act, matter or thing shall be done on the preceding business day.
- 1.18 A period of days from the happening of any event or the doing of any act or thing shall be deemed to be inclusive of the day on which the event happens or the act or thing is done and if the last day of the period is a weekly holiday or a public holiday (hereinafter referred to as "the excluded day") the period shall include the next following day which is not an excluded day.

2. OBJECTIVES OF AGREEMENT

- 2.1 The objective of this Agreement is to formalise and regulate the relationship between the Parties and to set out their respective undertakings, rights, interests, benefits, duties, and obligations.
- 2.2 Each of the Parties shall procure that it shall:
- (a) refrain from any actions contrary to the attainment of the purposes contained herein; and
 - (b) conduct all operations for the attainment of the purposes pursuant to Clause 2.1 in the most expeditious and cost-effective way and in a proper and workmanlike manner in accordance with internationally accepted methods and practices and with that degree of diligence and prudence reasonably and ordinarily exercised by experienced person(s) engaged in similar activities under similar circumstances and conditions in accordance with the standard of good husbandry.
- 2.3 The Parties herein acknowledges and agree that nothing herein shall constitute an assignment of rights and/or interests, or a transfer of any obligations and/or liabilities of either Party.

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3. RELATIONSHIP OF PARTIES

3.1A Joint Venturers

The relationship of the Parties shall be one of joint venturers wherein THE OWNER as landowner shall provide the Aquilaria trees and THE COMPANY shall undertake the Total Works for THE OWNER.

3.1B Delivery of Documents

The Parties shall within ten (10) days of the date of this Agreement deliver to the each other's solicitors the following documents:



- (a) a certified true copy each of its directors' resolution pertaining to the entering into of this Agreement;
- (b) its memorandum and articles of association, Forms 24, 44 and 49 or any similar documents under the Companies Act, 2016 and
- (c) the certified true copy each of the identity cards of the directors executing this Agreement.

3.2 No Partnership

Nothing in this Agreement shall be considered or interpreted as constituting the relationship between the Parties as a partnership, quasi-partnership, association or any other relationship in which any one or more of the Parties may (except as specifically provided in this Agreement) be liable generally for the acts or omissions of the other Party.

3.3 No Agency

With the exception of authorizations specifically granted in or contemplated by this Agreement, nothing in this Agreement shall be considered or interpreted as constituting any Party the general agent or representative of any other Party.

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3.4 No Authority to Bind

In particular but without limitation, and except as provided for in this Agreement, no Party shall have the authority:

- (a) to pledge or purport to pledge the credit of another Party; or
- (b) to make or give or purport to make or give any representations, warranties or undertakings for or on behalf of another Party; or
- (c) to bind or impose any obligation upon another Party or purport to do so save and except those obligation(s) herein mentioned.



3.5 Responsibility for Accounting and Taxes

- (a) Each of the Parties shall be responsible for its own accounting records required by law or to support its income tax returns or any other accounting reports required by any government authority with respect to the matters herein.
- (b) THE COMPANY shall also pay for the stamp duty imposed on this Agreement by the authority.

4. ROLE OF THE PARTIES

4.1A THE COMPANY at its own costs and expenses carry out the followings: -



- (a) shall be responsible for the Total Works and THE COMPANY shall ensure that the Site Works shall be carried out in a safe, proper and workmanlike manner. THE COMPANY shall take particular care not to cause damage to any perimeter fencing, if any which bounds the Demarcated Site during the Site Works operation.
- (b) has identified that a total of 2,177 Aquilaria trees on the Demarcated Site that is suitable for inoculation and/or harvesting;

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- (c) shall be responsible for the sales and marketing of the Aquilaria Trees harvested from Demarcated Site upon maturity after inoculation;
- (d) shall maintain and upkeep the inoculated the Aquilaria Trees throughout the term and until harvesting of the trees;
- (e) shall ensure the above progress is in accordance with this agreement, THE OWNER's representative(s) shall be permitted to join THE COMPANY's team for the trees and areas marking process, and the inoculation and harvesting exercise;
- (f) shall be responsible to prevent any trespassers or third party whomsoever onto the Demarcated Site throughout the term of this Agreement; and
- (g) hire its own workmen and be fully responsible for all wages, insurance employees' contributions whatsoever in respect of the workmen and it is hereby agreed that THE OWNER shall not be liable in any manner whatsoever in respect of any accident injury whatsoever as may be suffered by THE COMPANY and/or its workmen in the said Land. THE COMPANY shall ensure that all workmen hired by THE COMPANY to carry out the Total Works have valid working permit.

4.1B THE COMPANY shall:

- (a) Without prejudice to any other rights of THE OWNER, THE COMPANY shall indemnify THE OWNER against any destruction or damage caused to any of THE OWNER's property on the Demarcated Site and/or any part of the said Land by the negligence of and/or breach of duty by THE COMPANY and/or its personnel, agents, employees, contractors, sub-contractors or the employees (hereinafter referred to as "**THE COMPANY personnel**") or any of them and shall reimburse or make good the same to the satisfaction of THE OWNER within ten (10) working days of its occurrence.
- (b) be responsible for any damages or injury that may be suffered by THE COMPANY personnel arising from the Site Works and/or Total Works or any part thereof.



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- (c) shall ensure at all time, compliance to such laws, by-laws, rules, regulations of the relevant authorities that is currently in force in respect to the Site Works or Total Works to be carried out by THE COMPANY and ensure that it has obtained all licences and permits required for the Total Works and shall ensure the validity of those licences and permits throughout the course of its carrying on of the Total Works.
- (d) shall indemnify and keep THE OWNER indemnified against and from all or any losses, fines, penalties, damages, actions, proceedings, liabilities, claims, demands, costs and other expenses to which THE OWNER may be subject to or be liable whatsoever or which may be brought or instituted against, imposed on, incurred by or demanded from THE OWNER as a result of THE COMPANY's and/or THE COMPANY's personnel's breach or non-observance of any of the any acts, ordinance, regulations, by-laws, rules and requirements pertaining to the Total Works including any claims and demands against damage occasioned to any adjacent or neighbouring properties or premises or injury caused to any person by any act, default or negligence of THE COMPANY or THE COMPANY personnel.
- (e) shall uproot and level the Demarcated Site thereafter harvesting.
- (f) shall be absolutely prohibited from planting any other trees or crops on the said Land and THE COMPANY shall be absolutely prohibited from using the said Land for any illegal/unlawful purposes and/or for any other purpose whatsoever apart from for the purposes as provided in this Agreement.
- (g) shall not assign, transfer or novate in any manner whatsoever any of the rights granted to THE COMPANY under this Agreement to any person whomsoever without the prior written consent of THE OWNER.
- (h) shall not be entitled to enter any caveat or other encumbrance whatsoever over the said Land or any portion thereof and THE COMPANY hereby acknowledges that it has no rights interests and/or claims whatsoever against the said Land which shall at all times belong absolutely to THE OWNER and the said Land shall not be construed as a joint venture or partnership property whatsoever.

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4.2 THE OWNER:-

- (a) shall grant THE COMPANY and/or their personnel, agents, employee(s) access limited to the Demarcated Site to perform their duties throughout the term of this Agreement Subject However to Clause 5.3(d) below;
- (b) shall perform their duties and/or obligations in accordance with the terms and conditions in this Agreement to ensure smooth performance of parties' respective obligations pursuant to this Agreement;
- (c) shall not enter into any agreement with any other parties that will affect THE COMPANY's interest in this Agreement;
- (d) shall ensure all the quit rent payable for the Said Land is paid to relevant authorities;
- (e) shall provide to THE COMPANY its Forms 24 and 49 (or the equivalent thereof under the Companies Act 2016) and such necessary and indispensable documents required by the relevant authorities for processing purposes in respect of the application by THE COMPANY of approvals, licenses and/or permits with the relevant authorities necessary for the harvesting and transportation of the harvested Aquilaria Trees from the Demarcated Site;
- (f) shall not be responsible to THE COMPANY or THE COMPANY's personnel for any accident happening or injury suffered or damage to or loss of any of THE COMPANY's chattel or equipment sustained on the said Land through no fault of THE OWNER; and
- (g) shall be entitled to enter into the said Land at all reasonable times to view the condition of the said Land and all of the Aquilaria Trees grown on the said Land (including all those Aquilaria trees which were marked and which were not marked by THE COMPANY as suitable for inoculation and harvesting).



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5. CONSIDERATION

5.1 SUBJECT ALWAYS TO Clause 5.3 below and in consideration of THE OWNER allowing THE COMPANY to inoculate (at THE COMPANY's sole cost as agreed in Clause 4.1A(a)) and undertaking the Total Works, THE COMPANY shall pay to THE OWNER a sum of Ringgit Malaysia Seven Hundred Eighty (RM780-00) Only per Aquilaria tree. Therefore, the total sum agreed to be paid by THE COMPANY to THE OWNER shall be Ringgit Malaysia One Million Six Hundred Ninety-Eight Thousand Sixty (RM1,698,060-00) Only (RM780-00 x 2,177 Aquilaria trees) being the purchase price for the Aquilaria trees ("**the Total Sum**") payable in batches of not more than two hundred fifty (250) Aquilaria trees per month to be harvested by THE COMPANY as follows:

- (i) first batch of not more than Two Hundred Fifty (250) of the Aquilaria trees per month to be harvested by THE COMPANY (equivalent to RM195,000-00 being RM780-00 x 250 Aquilaria trees);
- (ii) seven (7) subsequent batches of not more than Two Hundred Fifty (250) of the Aquilaria trees for each batch per month to be harvested by THE COMPANY (equivalent RM1,365,000-00 being RM780-00 x 250 Aquilaria trees per batch x 7 batches); and
- (iii) the last batch of not more than One Seventy Seven (177) of the Aquilaria trees to be harvested by THE COMPANY (equivalent RM138,060-00 being RM780-00 x 177 Aquilaria trees).

The payment of RM195,000-00 (ie RM780-00 x 250 Aquilaria trees) or such amount not exceeding RM195,000-00 calculated based on the actual number of the Aquilaria trees harvested in the respective batch and respective month in respect of each batch under Clause 5.1(i) and (ii) above and RM138,060-00 (ie RM780-00 x 177 Aquilaria trees) in respect of the last batch under Clause 5.1(iii) above shall be made within six (6) months from the commencement date of the harvesting of each of the respective batches as stated in Clause 5.1(i), (ii) and (iii) accordingly, such payment shall be paid in full within the aforesaid period notwithstanding that THE COMPANY may not have completed the harvesting of two hundred (250) Aquilaria trees in respect of each batch per month or one hundred seventy seven (177) Aquilaria trees in respect of the last batch within the aforesaid period of six (6) months. For illustration, if THE COMPANY commences

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harvesting of any one batch on 1 January 2024, THE COMPANY shall pay to THE OWNER on or before 30 June 2024 the full sum of RM195,000-00 or such sum calculated based on the actual number of the Aquilaria trees harvested between 1 January 2024 and 31 January 2024 multiply by RM780-00.

5.2 In the event THE COMPANY fails to make payment of any part of the Total Sum within the time and manner as stipulated under Clause 5.1, THE COMPANY shall be liable to pay THE OWNER late payment interest at the rate of five percentum (5%) per annum calculated on daily basis on the sums unpaid until full settlement of the said sum ("**the Late Payment Interest**"). This shall be without prejudice to any other rights that THE OWNER has under this Agreement and in law.



5.3 PROVIDED ALWAYS THAT:

(a) THE COMPANY shall notify THE OWNER on the proposed date of the commencement of the harvesting of each batch of the Aquilaria trees as stipulated in Clause 5.1 and THE COMPANY shall serve a written notice of not less than Seven (7) Working Days on THE OWNER prior to the commencement of the harvesting of each batch of three hundred (300) Aquilaria trees and the last batch of seventy seven (77) Aquilaria trees on the Demarcated Site;

(b) the commencement date for the harvesting of the first batch under Clause 5.1(i) above shall fall on a date between 1 February 2025 to 31 May 2025;

(c) THE COMPANY shall not harvest more than three hundred (300) Aquilaria trees in every batch of the harvesting exercise;

(d) THE COMPANY shall NOT be entitled to commence the harvesting of any of the subsequent batch(es) of three hundred (300) Aquilaria trees and the last batch of seventy seven (77) Aquilaria trees until the full payment of RM234,000-00 in respect of every batch of three hundred (300) Aquilaria trees which THE COMPANY has commenced harvesting together with the Late Payment Interest (if any) has been received by THE OWNER. For avoidance

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of doubt, THE OWNER shall be absolutely entitled to deny access and to block the entry of THE COMPANY including any of its representatives whomsoever onto the Demarcated Site immediately upon the failure of THE COMPANY to pay any part of the Total Sum within the time and/or in accordance with manner as stipulated under Clause 5.1 above and in such event, the duration under Clause 6.3 below shall remain intact and shall NOT be extended in any manner whatsoever.

6. DURATION OF AGREEMENT

- 6.1 This Agreement shall commence from the date of this Agreement
- 6.2 This Agreement shall remain in force until THE OWNER has received in full the Total Sum.
- 6.3 THE COMPANY shall complete the Site Works within four (4) years from the Commencement Date, failing which THE OWNER shall automatically grant, at the request of THE COMPANY, an extension of six (6) months to complete the Site Works. For avoidance of doubt, THE COMPANY shall peaceably quit the said Land together with all unfelled or unharvested Aquilaria trees grown thereon to THE OWNER on or before the expiry of the aforesaid period ie ON OR BEFORE 31 July 2027.
- 6.4 Upon the expiry of this Agreement or its termination by notice under this Agreement, Clause 7.6 shall apply and shall be without prejudice to any other rights or remedies of the parties under this Agreement.

7. TERMINATION

- 7.1 Either party shall be entitled to terminate this Agreement by giving the other three (3) months' notice upon the occurrence of the following breaches:
- (a) if that other party is wound up or is declared insolvent.
- (b) if that other party fails to comply with its obligations in the Agreement;

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- (c) if that other party knowingly submits false documents to the other party, which are material in nature;
- (d) if that other party knowingly makes a misrepresentation which, if known to the other party, could have materially or significantly influenced the execution of this and/or altered the basis of this Agreement and the terms thereof.
- (f) that other party commits any material breach of any term or conditions of this Agreement.

If at the expiry of the three months' notice, the defaulting party has remedied its breach(es), the innocent party shall consider its notice as withdrawn and of no effect. For avoidance doubt, the defaulting party shall be deemed to have failed to remedy its breach in the event it has only remedied its breach in part.



If at the expiry of the three months' notice, any of the said breach(es) has yet to be remedied and If the innocent party reasonably believes that the defaulting party is doing its best to remedy the breach(es) and its efforts look promising, then the innocent party may at its absolute discretion, extend the notice period accordingly. Otherwise, this Agreement shall, at the option of the innocent party, be deemed terminated with immediate effect.

7.2 Upon termination pursuant to Clause 7.1, the innocent Party shall be entitled to pursue its legal right for damages suffered as a result of the termination and Clause 7.6 shall apply.

7.3A If this Agreement is terminated due to whatsoever fault by THE COMPANY, THE COMPANY shall compensate THE OWNER the sum of Ringgit Malaysia Three Hundred (RM300-00) only per Aquilaria tree for those that have been inoculated but have not been harvested by THE COMPANY, such reimbursement shall be without prejudice to any other rights or remedies of THE OWNER under this Agreement. In the event the Agreement is terminated due to fault by THE OWNER, THE OWNER shall compensate THE COMPANY the sum equivalent to Ringgit Malaysia Four Hundred (RM400-00) Only for every Aquilaria tree inoculated but have not been harvested by THE COMPANY wherein such action by THE OWNER shall includes but not limited to THE OWNER's action to harvest and sell the inoculated Aquilaria trees without THE COMPANY's knowledge and consent.

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- 7.3B In the event the inoculated Aquilaria trees were rendered unfit at no fault by THE OWNER's wilful act, THE COMPANY shall not be entitled for any claim against THE OWNER for the damaged Aquilaria tree.
- 7.4 The sum payable under Clause 7.3A above shall not exceed a maximum of 2,177 of the Aquilaria trees as marked.
- 7.5 THE COMPANY shall not be permitted to erect any structure on the said Land without the written consent of THE OWNER.
- 7.6 Upon the expiry or termination of this Agreement:
- (a) THE COMPANY shall forthwith quit and deliver vacant possession of the Said Land to THE OWNER;
 - (b) THE COMPANY shall be absolutely prohibited from further harvesting, cutting or felling any of the Aquilaria Trees;
 - (c) THE COMPANY shall keep the ground of the Said Land free from weeds lallang and all unwanted undergrowth bushes or plants;
 - (d) All of the Aquilaria Trees remaining on the Said Land (including all those Aquilaria trees which were marked and which were not marked by THE COMPANY as suitable for inoculation and harvesting) shall belong to THE OWNER absolutely without any compensation reimbursement or other payment whatsoever to be payable to THE COMPANY;
 - (e) THE OWNER Party shall be absolutely entitled to deal with all the Aquilaria Trees remaining of the said Land (including all those Aquilaria trees which were marked and which were not marked by THE COMPANY as suitable for inoculation and harvesting) without any further reference or notice to THE COMPANY or other person(s) whomsoever;
 - (f) the 2nd Party shall be liable to pay the 1st Party all loss (including but without limited to loss of profit) and damage suffered by the 1st Party as a result of the breach by the 2nd Party; and

THE COMPANY	THE OWNER
	

(g) thereafter this Agreement shall be terminated null and void and be of no further effect whatsoever save and except for any antecedent breach.

8. NON-EXCLUSIVITY



No exclusivity is formed by virtue of this Joint Venture Agreement and neither Party shall be obligated to make offers to the other related to any business.

9. FORCE MAJUERE

9.1 Force Majeure Event

A "Force Majeure Event" shall mean any act or event that prevents or delays the affected Party from performing its obligations under this Agreement or complying with any conditions required to be complied with under this Agreement if such act or event is beyond the reasonable control of and not the fault of the affected Party and such affected Party has been unable by the exercise of due diligence to overcome or mitigate the effects of such act or event. Force Majeure Events include acts of war, landslides, revolution, terrorism, flood, tidal wave, tornado, hurricane, lightning, earthquake, civil disturbance, act of God, any unreasonable delay or failure to act of a court or public authority with respect to a requested action necessary for the performance of obligations under this Agreement (provided that such requested action is legal, customary and within such court or authority's jurisdiction) and application therefor was made in a proper and timely manner (taking into account all circumstances known or that should have been known with the exercise of due diligence and was diligently pursued), or strikes or other labour disputes of a regional or national character that are not limited to only the employees of a Party and that are not due to the breach of a labour contract or applicable law by the Party claiming Force Majeure. Force Majeure Events do not include

(a) strikes, work stoppages and labour disputes or unrest of any kind that involve only employees of the Party (except as expressly provided in the foregoing sentence),

THE COMPANY	THE OWNER
	

- (b) late delivery of materials or equipment (except to the extent caused by a Force Majeure Event), and
- (c) economic hardship.



9.2 Burden of Proof

In the event that the Parties are unable in good faith agree that a Force Majeure Event has occurred, the Parties shall submit the to the jurisdiction of Malaysian Court, provided that the burden of proof as to whether a Force Majeure Event has occurred shall be upon the Party claiming a Force Majeure Event.

9.3 Excused Performance

If either Party is rendered wholly or partly unable to perform its obligations, other than payment obligations, under this Agreement because of a Force Majeure Event, that Party will be excused from whatever performance is affected by the Force Majeure Event to the extent so affected, provided that:

- (a) the non-performing Party gives the other Parties prompt notice (but in any event no later than seven days after its becoming aware of the Force Majeure Event) describing the particulars of the occurrence, including an estimation of its expected duration and probable impact on the performance of such Party's obligations hereunder, and thereafter continues to furnish timely regular reports with respect thereto during the continuation of that Force Majeure Event;
- (b) the suspension of performance is of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event;
- (c) no liability of a Party which arose before the occurrence of the Force Majeure Event causing the suspension of performance shall be excused as a result of such occurrence;

THE COMPANY	THE OWNER
	

- (d) the non-performing Party exercises all reasonable efforts to mitigate or limit damages to the other Parties;
- (e) the non-performing Party uses its best efforts to continue to perform its obligations hereunder and to correct or cure the event or condition excusing performance; and
- (f) when the non-performing Party is able to resume performance of its obligations under this Agreement, that Party shall give the other Parties written notice to that effect and shall promptly resume performance hereunder.

9A. CONDITION OF LAND USE



- 9A.1 **THE COMPANY** acknowledges that it has been informed and is fully aware that the current condition of land use of the said Land is for industrial purpose.
- 9A.2 In the event that at any time during the period of the Agreement, the planting and/or cultivation and/or harvesting of the Aquilaria trees on the said Land and/or the performance of any of the obligations of either of the Parties herein under this Agreement is prohibited and/or the relevant authorities require the felling of any or all of the Aquilaria trees grown on the said Land due to the condition of land use and/or rules and/or regulations whatsoever and/or other reasons related thereto, this Agreement shall be deemed as frustrated. In such event, notwithstanding any other provisions of this Agreement, it is hereby EXPRESSLY AGREED that there shall be no claim whether in the form of compensation and/or reimbursement whatsoever by one party against the other and **THE COMPANY** shall forthwith peaceably quit the said Land together with all the Aquilaria trees grown thereon to **THE OWNER** and **THE OWNER** shall forthwith be entitled to deal with the said Land and all the Aquilaria trees grown thereon in any manner whatsoever as **THE OWNER** may in its absolute discretion deem fit without any further notice or reference to the **COMPANY**. Clause 7.6 shall apply *mutatis mutandis*.

10. FURTHER ACTIONS

The Parties shall execute any documents and take all appropriate actions as may be necessary to give effect to the Joint Venture.

11. ASSIGNMENT

Neither Party shall assign or transfer any of its rights or obligations hereunder without the prior written consent of the other Party, except to a successor in ownership of all or substantially all of the assets of the assigning Party if the successor in ownership expressly

THE COMPANY	THE OWNER
	

assumes in writing the terms and conditions of this Agreement. Any such attempted assignment without written consent will be void. This Agreement shall inure to the benefit of and shall be binding upon the valid successors and assigns of the Parties.

12. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of Malaysia.

13. COUNTERPARTS



This Agreement may be executed in any number of counterparts, each of which shall constitute an original, and all of which, when taken together, shall constitute one instrument.

14. SEVERABILITY

The Parties expressly stipulate that this Agreement will be construed in a manner that renders its provisions valid and enforceable to the maximum extent possible under applicable law. To the extent that any provisions of this Agreement are determined by a court of competent jurisdiction to be invalid or unenforceable, such provisions will be deleted from this Agreement or modified so as to make them enforceable and the validity and enforceability of the remainder of such provisions and of this Agreement will be unaffected.

15. NOTICES

- (a) Any notice request and/or demand or communication required to be served under this Agreement shall be in writing.
- (b) Any notice of termination required to be served under or pursuant to Clause 7 of this Agreement shall be in writing and shall be deemed sufficiently served if the same is sent or addressed to either party by registered post to the address first written above or to each party's last known address and shall be deemed to be received after the

THE COMPANY	THE OWNER
	

expiration of five (5) Business Days from the date it is posted and if delivered by hand, on the day it was delivered.

(c) All other notices, requests, demands and other communications under this Agreement must be in writing and sent or addressed to either party to the address first written above or to each party's last known address and will be deemed duly given, unless otherwise expressly indicated to the contrary in this Agreement:



- (i) if it is personally delivered, at the time of delivery and duly acknowledged;
- (ii) in the case of a facsimile, on the Business Day immediately after the facsimile transmission provided the sender has received a confirmed telephonic transmission answer back and has sent a copy by post confirming the facsimile transmission;
- (iii) in the case of a letter sent by post, five (5) Business Days after having been deposited in the mail; or
- (iv) in the case of courier, one (1) Business Day after having been sent courier service provider evidenced by the proof of delivery, or
- (v) By electronic mail ("E-mail") to the email address stated in this Agreement, on the Business Day immediately after transmission.

16. HEADINGS

Paragraph headings used in this Agreement are for reference only and shall not be used or relied upon in the interpretation of this Agreement.

17. ENTIRE AGREEMENT

This Agreement contains the entire agreement and understanding between the Parties, superseding all prior contemporaneous communications, representations, agreements, and understandings, oral or written, between the Parties with respect to the subject matter

THE COMPANY	THE OWNER
	

hereof. This Agreement may not be modified in any manner except by written amendment executed by each Party hereto.

18. TIME OF THE ESSENCE



Time wherever mentioned shall be the essence of this Agreement.

19. WARRANTIES BY THE PARTIES

The Parties warrant to each other that:-

- (a) each Party has the legal capacity to enter into this Agreement; and
- (b) neither Party has been wound-up nor served a petition to be wound up nor with any other notices whatsoever which will have the effect of invalidating this Agreement.


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THE COMPANY	THE OWNER
	

IN WITNESS whereof the parties have executed this Agreement the day and year first above-written.

THE COMPANY

Signed by
for and on behalf of
**DADVANCE AGARWOOD SOLUTION
SDN BHD**
(Co. No. 201901028166 / 1337495-U)
in the presence of



.....
Name: **JONATHAN CHAN YE EARN**
NRIC No.:
Advocate & Solicitor
KUALA LUMPUR
BC/J/684

.....
Designation: Director
Name: **LIEW KIEN MENG**
NRIC No.: 750601-10-5637



THE OWNER

Signed by
for and on behalf of
TAN SIN LIAN INDUSTRIES SDN. BHD.
(Company No. 204308-D)
in the presence of:

TAN SIN LIAN INDUSTRIES SDN. BHD.
199001012738 (204308-D)

.....
Name: **TAN SEU MEE**
NRIC No.:
BC / T / 1042
Advocate & Solicitor
MUAR.

.....
Designation: Director
Name: **TAN TIOW GIN**
NRIC No.: 650710-01-5587

THE COMPANY	THE OWNER
	

Kanun Tanah Negara
Borang 5BK
 (Jadual Keempat Belas)

GERAN

No. Hakmilik : 117984	Cukai Tahunan : RM2,772.00
-----------------------	----------------------------

Negeri	: Johor
Daerah	: Muar
Bandar/Pekan/Mukim/Country	: Mukim Sri Menanti
No. Lot	: Lot 6679
Luas Lot	: 19778 Meter Persegi
Kategori Penggunaan Tanah	: Perusahaan/Perindustrian
No. Lembaran Piawai	:
No. Pelan Diperakui	: 64809
No. Fail	: PTDM/LEAUT/AS/1/92 ; PTG.9/91-310

Tanah yang diperihalkan di atas adalah dipegang untuk selama-lamanya oleh tuan punya pada masa namanya disebut dalam rekod ketuanpunyaan di bawah, tertakluk kepada peruntukan-peruntukan Kanun Tanah Negara, kepada kategori yang dinyatakan di atas dan kepada syarat-syarat nyata dan sekatan-sekatan kepentingan yang dinyatakan di bawah, sebagai balasan bagi pembayaran cukai tahunan yang sewajarnya.

Dengan perintah Pihak Berkuasa Negeri

Didaftarkan pada 15 September 2005

T.M t.t
 Pendaftar

Pelan tanah, bagi maksud pengenalan, adalah dikepalkan pada Borang B1.

SYARAT-SYARAT NYATA

- Tanah ini hendaklah digunakan untuk Kilang bagi tujuan Perusahaan Ringan dan kegunaan lain yang berkaitan dengannya, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan.
- Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan/dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan.
- Segala dasar dan syarat yang ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi.



Hakmilik : 010613GRN00117984
 Tarikh : 24/11/2011
 No. Versi : 2
 No. Salinan :
 Muka Surat : 1 | 2 |

J A 6 5 2 0 3 5 0

SEKATAN-SEKATAN KEPENTINGAN

Tanah yang terkandung di dalam hakmilik ini tidak dibenarkan dipindahmilik dengan apa cara sekalipun melainkan bangunan kilang di syarat nyata telah mula dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa tempatan yang berkenaan.

Hendaklah dipenuhi apabila hakmilik dikeluarkan bagi sambungan

Tarikh mula-mula pemberimilikan :
No. hakmilik asal (Tetap atau sementara) : GRN 26483 Mukim Sri Menanti
No. hakmilik yang terdahulu daripada ini : HSD 19702 Mukim Sri Menanti
(jika berlainan daripada di atas)

REKOD KETUANPUNYAAN

TAN SIN LIAN INDUSTRIES SDN. BHD., 1/1 bhgn.
No Syarikat : 204308-D tertubuh di bawah Akta Syarikat 1965,
NO. 1-14, JALAN INDAH 2, TAMAN, INDAH, JALAN HAJI ABDULLAH, 84000 MUAR, JOHOR.

REKOD URUSAN

No Pers 98155/2011 Gadaian menjamin wang pokok
oleh TAN SIN LIAN INDUSTRIES SDN. BHD., No.Sykt : 204308-D
1/1 bhgn.
kepada HSBC BANK MALAYSIA BERHAD, No Syarikat : 127776-V
NO.15, JALAN PETRIE, 84000 MUAR JOHOR
didaftarkan pada 24 November 2011 jam 08:55:09 pagi
Suratkuasa Wakil : 132/2010

PERKARA LAIN YANG MELIBATKAN HAKMILIK

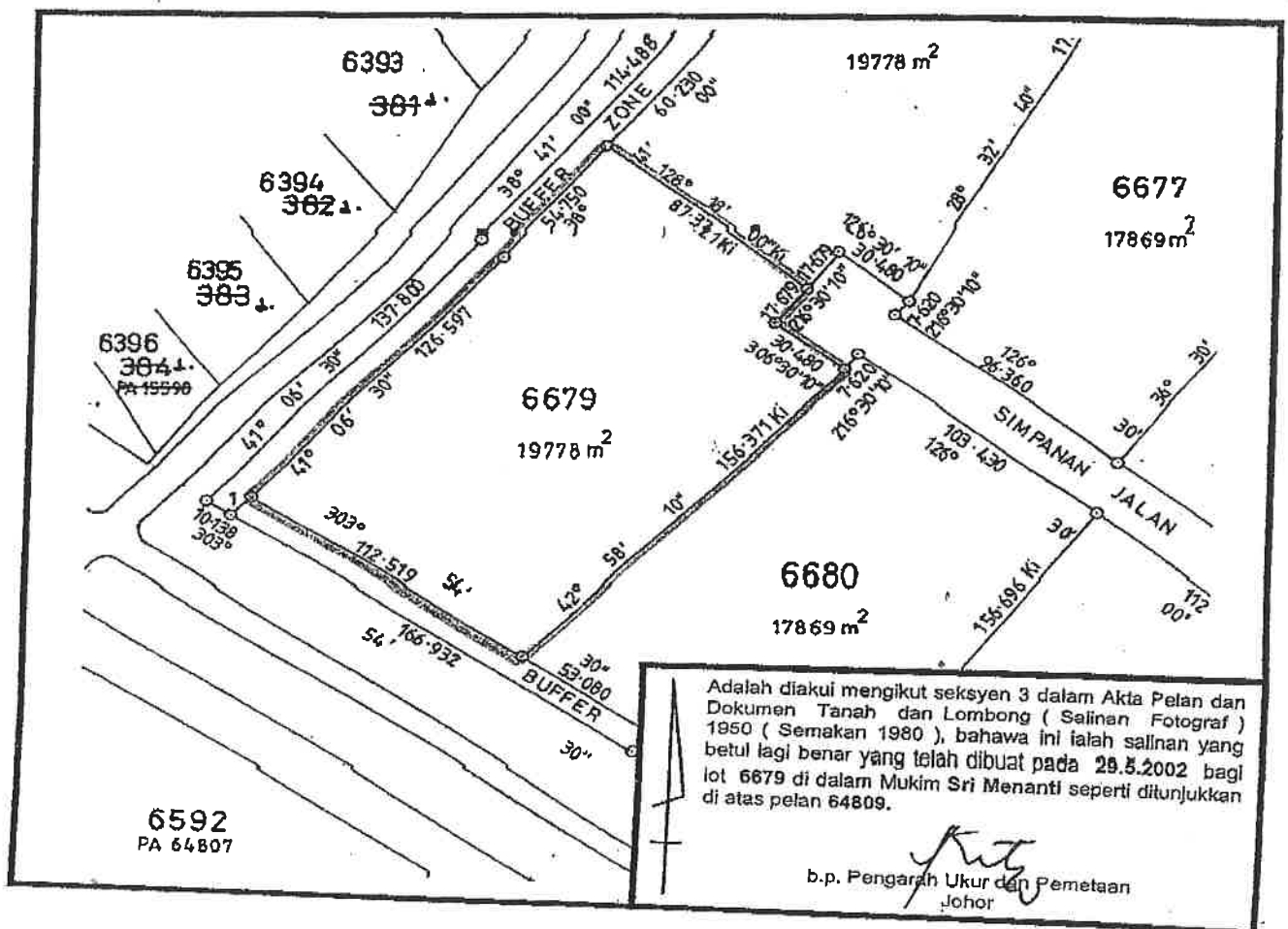


Hakmilik : 010613GRN00117984
Tarikh : 24/11/2011
No. Versi : 2
No. Salinan : .
Muka Surat : 2 | 2 |

PELAN TANAH
(Hakmilik Tetap)

Saya mengesahkan bahawa pelan yang dikepikan di bawah ini adalah salinan benar pelan tanah yang diprakui.
Butiran hakmilik adalah seperti berikut :

Jenis dan No. Hakmilik	:	GRN 117984
Negeri	:	Johor
Daerah	:	Muar
Bandar/Pekan/Mukim	:	Mukim Sri Menanti
Jenis Hakmilik	:	Geran
No. Lembaran	:	
No. Pelan Diprakui	:	64809
No. Lot	:	Lot 6679
Luas Lot	:	19778 Meter Persegi



Handwritten signature or mark.

