TRUCK INVESTMENT AGREEMENT

Agreement no:

Dated:

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This TRUCK INVESTMENT AGREEMENT (hereinafter referred to as the “Agreement”) is entered into this ....

day of ...., 2025, by and between:

AVOTEIN FARMS LTD, a company duly incorporated and existing under the laws of the Republic of Uganda, with

its principal place of business located at Kololo, Kampala, Uganda (hereinafter referred to as the “Operator,” which

expression shall, where the context admits, include its successors and permitted assignments),

AND

INVESTOR .... residing at [Investor Address] (hereinafter referred to

as the “Investor,” which expression shall, where the context admits, include their heirs, legal representatives, and permitted assigns).

The Operator and the Investor may each be referred to individually as a “Party” and collectively as the “Parties.”

1. PURPOSE

1.1 The purpose of this Agreement is to establish the terms and conditions under which the Investor shall provide capital for the acquisition of one or more commercial logistics trucks, either refrigerated ("Cold Trucks") or standard cargo ("Dry Trucks"), which shall be deployed and operated exclusively by the Operator as part of its agribusiness logistics and distribution operations within the territory of the Republic of Uganda.

1.2 The trucks procured pursuant to this Agreement shall form part of the Operator's transport fleet and shall be utilized for the carriage of agricultural produce, inputs, and ancillary logistics services, in accordance with prevailing legal and regulatory requirements governing commercial transportation in Uganda.

1.3 The Parties acknowledge and agree that the Operator shall have sole and exclusive responsibility for the operational deployment, maintenance, management, and commercial exploitation of the trucks throughout the subsistence of this Agreement, and the Investor shall derive a return on investment as stipulated herein.

2. INVESTMENT TERMS

following vehicle categories:

a) Dry Cargo Truck:

Capital Contribution: Uganda Shillings One Hundred Ninety-Eight Million (UGX 198,000,000)

Term: Sixty (60) consecutive calendar months from the date of deployment

Anticipated Monthly Return:

(i) Peak Season (December–January and June–August): UGX 6,000,000

(ii) Off-Peak Season (February–May and September–November): UGX 4,200,000

(iii) Average Monthly Payout (blended across the year): UGX 4,800,000

Estimated Total Return Over Term: UGX 288,000,000

Estimated Profit Over Term: UGX 90,000,000

b) Refrigerated (Cold Chain) Truck:

Capital Contribution: Uganda Shillings Two Hundred Thirty-Four Million (UGX 234,000,000)

Term: Sixty (60) consecutive calendar months from the date of deployment

Anticipated Monthly Return:

(i) Peak Season: UGX 7,000,000

(ii) Off-Peak Season: UGX 4,900,000

(iii) Average Monthly Payout (blended): UGX 5,600,000

Estimated Total Return Over Term: UGX 336,000,000

Estimated Profit Over Term: UGX 102,000,000

2.1 The Investor hereby undertakes to contribute capital toward the purchase of one or more commercial trucks, to be exclusively utilized by the Operator in its organization operations. The Investor may choose to invest in either or both of the

2.2 All returns indicated herein shall be deemed gross of tax, and subject to withholding in accordance with the applicable

provisions of the Income Tax Act (Cap 340) and Uganda Revenue Authority guidelines, as further detailed in Clause 3 of this Agreement.

2.3 For purposes of clarity, the above figures represent projected returns based on historical seasonal demand for logistics services and may be subject to variations due to external market conditions. The Operator commits to exercising due diligence and reasonable commercial effort in maximizing utilization of the trucks to achieve projected returns.

3. PAYOUT, DOWNTIME AND WITHOLDING TAX

3.1 The Operator shall remit monthly profit distributions (“Payouts”) to the Investor on or before the fifth (5th) day of each calendar month, commencing from the first full month following the date of deployment of the respective truck(s).

3.2 Payouts shall reflect a seasonally adjusted structure based on agricultural transport demand patterns, as follows:

a) During Peak Seasons: defined as the periods of December to January and June to August; the Investor shall

receive the full monthly payout as stipulated in Clause 2 above.

b) During Off-Peak Seasons: defined as the periods of February to May and September to November; the monthly

payout shall be adjusted downward by thirty percent (30%) to reflect reduced demand for transport services.

c) The seasonal fluctuation shall result in a blended average monthly payout, projected at UGX 4,800,000 for Dry Trucks and UGX 5,600,000 for Cold Trucks, over the entire sixty-month investment period.

3.3 In recognition of the inherent operational risks associated with commercial logistics, all monthly payouts shall be subject to a ten percent (10%) operational reserve deduction (“Downtime Reserve”) to account for the following contingencies:

- Mechanical breakdowns.

- Preventive or corrective maintenance.

- Accidents, damage, or repairs.

- Scheduled inspections or regulatory immobilization.

- Periods of temporary idleness or non-utilization.

3.4 The Downtime Reserve shall be deducted at source and reflected in the net amount disbursed to the Investor each month.

Any such deduction shall be accompanied by relevant supporting documentation, including service logs, incident reports, or operational schedules, as applicable.

3.5 All returns payable to the Investor under this Agreement shall be subject to withholding tax (WHT) in accordance with the laws of the Republic of Uganda. The Operator shall be responsible for deducting and remitting WHT directly to the Uganda Revenue Authority (URA) on behalf of the Investor. The applicable rates are:

a) For Investors who are Ugandan citizens or tax residents: six percent (6%) of gross payout.

b) For non-resident (foreign) Investors: fifteen percent (15%) of gross payout.

3.6 The Operator shall furnish the Investor with a copy of the WHT acknowledgment or credit certificate from the URA each quarter, or as may be required by applicable tax law.

4. OPERATIONS

4.1 The Operator shall assume full and exclusive responsibility for the day-to-day management, utilization, and deployment of the truck(s) acquired under this Agreement and shall undertake all obligations necessary to ensure their continued operation in accordance with commercial transport and regulatory standards in the Republic of Uganda.

4.2 The Operator shall bear all operational expenses and liabilities associated with the trucks, including but not limited to the following:

a) Procurement and payment of fuel.

b) Routine and non-routine mechanical servicing and maintenance.

c) Comprehensive and third-party insurance premiums.

d) Recruitment, vetting, training, and remuneration of licensed commercial drivers.

e) Installation and maintenance of GPS tracking systems and monitoring equipment.

f) Regulatory fees, inspection certifications, road licenses, and all compliance-related costs as may be prescribed by the Ministry of Works and Transport (MoWT) and the Uganda National Roads Authority (UNRA);

g) Branding, signage, and other logistical accessories necessary for commercial deployment (including crates, pallets, or cooling systems where applicable).

4.3 The Operator undertakes to exercise reasonable commercial diligence to maintain the trucks in good operating condition and in full compliance with all laws and standards governing transportation of goods in Uganda, including health and safety regulations applicable to food-grade or temperature-controlled cargo where Cold Trucks are deployed.

4.4 The Operator shall ensure that the vehicles are not subleased, subcontracted, or assigned to third parties for private or unrelated commercial use without the prior written consent of the Investor, unless such use forms part of the Operator's agricultural logistics mandate.

4.5 The Operator shall maintain detailed operational records, maintenance logs, route usage data, and driver records, which shall be made available to the Investor upon written request, not more than once per calendar quarter.

5. ASSET OWNERSHIP AND OPERATIONAL SECURITY

5.1 Legal title to each truck may, at the election of the Parties, be initially registered in the name of the Investor, the Operator, or a designated third-party custodian or special purpose vehicle (SPV) mutually agreed upon in writing. Notwithstanding the name in which the vehicle is registered, the Investor hereby irrevocably grants the Operator exclusive rights of custody, possession, operation, control, and decision-making authority over each truck for the entire duration of this Agreement.

5.2 The Investor shall have no right, during the term of this Agreement, to interfere with, repossess, recall, redirect, assign, lease, sell, pledge, or otherwise encumber the truck, nor to obstruct its use, branding, routing, or management, except in strict accordance with the early termination provisions set forth under Clause 6 of this Agreement.

5.3 In all cases where a vehicle is registered in the name of the Investor, the Investor agrees to execute, contemporaneously with the purchase of the truck, an Irrevocable Power of Attorney or Operational Mandate Agreement, in a form approved by the Operator's legal counsel, authorizing the Operator to:

- Insure, service, deploy, and operate the truck without restriction.

- Take any action necessary to comply with regulatory or licensing obligations.

- Manage accident claims and insurance settlements.

- Represent the truck in any dealings with public authorities, traffic enforcement, or logistics clients.

5.4 Any unauthorized attempt by the Investor to seize, sell, relocate, or disable the vehicle, or to suspend its deployment prior to the expiry of the agreed term, shall constitute a material breach of this Agreement. Upon such breach, the Operator shall be entitled to:

- Immediate recovery of the vehicle.

- Forfeiture by the Investor of any unpaid profit or outstanding payout.

- Recovery of liquidated damages equivalent to six (6) months of the average monthly payout.

5.5 The Parties may, by mutual written consent, agree to register the truck in the name of a Vehicle Investment Trust or joint Custodial SPV specifically created for the purpose of holding such assets. In such cases, shareholding, governance, and fiduciary obligations shall be governed by a supplemental agreement made between the Parties.

5.6 In order to ensure that the truck(s) remain available for the full performance of this Agreement and to safeguard against any unauthorized disposition:

a) Where the vehicle is registered in the name of the Investor, the Investor undertakes to register, or permit the registration of, a legal caveat or chattel mortgage in Favor of the Operator with the Uganda Registration Services Bureau (URSB) and/or any commercial bank or secured registry, as applicable. Such registration shall expressly prohibit the sale, transfer, disposal, or encumbrance of the vehicle without the prior written consent of the Operator.

b) Where the truck is financed through a loan or leasing facility, the Operator shall ensure that a non-disposal undertaking is included in the relevant financing agreement and that the bank is notified in writing of the terms of this Agreement, with the truck marked as restricted for sale or reassignment during the subsistence of this Agreement.

c) The Parties shall cooperate to ensure that the relevant authorities and financial institutions acknowledge and enforce the restriction and shall take all reasonable steps to ensure public notice of the Operator’s interest in the truck.

5.7 The Operator shall procure and maintain comprehensive motor vehicle insurance, covering risks including but not limited to collision, theft, fire, natural disaster, malicious damage, and civil unrest, for the entire duration of the Agreement.

5.8 The Investor shall be listed as the named beneficiary on the insurance policy, unless otherwise agreed in writing.

5.9 In the event the vehicle is declared a total loss by the insurer:

- If the insurance payout equals or exceeds the insured value, such amount shall be remitted directly to the Investor, who may elect to either reinvest in a replacement truck under a new agreement, or exit the investment without further obligation.

- If the insurance payout is partial, the Operator shall provide the full insurance documentation, and the Investor may choose to reinvest or accept the partial settlement as final compensation.

- If the claim is rejected or disputed, the Parties shall negotiate a reasonable and equitable settlement based on actual usage to date and remaining contract term.

5.10 Upon completion of thirty-six (36) months from the date of truck deployment, legal title to the truck shall automatically transfer to the Operator, unless otherwise agreed in writing.

5.11 Notwithstanding the transfer of legal title, the Investor shall remain entitled to continue receiving monthly profit payouts for the remainder of the sixty (60) month term, consistent with Clause 2 of this Agreement.

5.12 The formal transfer of ownership shall be completed by registration with the Uganda Revenue Authority and/or Ministry of Works and Transport, and the Operator shall notify the Investor upon completion.

5.13 The Operator shall ensure that each truck acquired under this Agreement: Is duly registered with the Ministry of Works and Transport (MoWT).

- Maintains valid road licenses and insurance in accordance with the Traffic and Road Safety Act, Cap 361.

- Is operated only by commercially licensed drivers with valid Defensive Driving Certifications.

- Complies with all emissions, safety, and inspection requirements prescribed by the Uganda National -Roads Authority (UNRA) or other relevant authorities.

5.14 Finality of Ownership and Payouts

- Upon completion of the full sixty (60) month investment term, the Investor shall cease to have any financial or operational interest in the truck, and no further profit payouts or claims shall be due. The truck shall remain the sole property of Avotein Farms Ltd, free of any encumbrances or claims by the Investor. This clause shall not affect the Investor's rights to any unpaid balances accrued during the term of this Agreement.

6. EXIT AND EARLY TERMINATION

6.1 The Investor shall have the right to request early termination of this Agreement, subject to the conditions and limitations set forth in this Clause. Any such request shall be made in writing, addressed to the Operator, and delivered with not less than sixty (60) calendar days' prior notice.

6.2 In the event of early termination by the Investor, the following provisions shall apply with respect to refund of capital and profit entitlements:

a) Exit between Months 13 to 24 (inclusive):

▪ The Investor shall be entitled to a refund equivalent to sixty percent (60%) of the original capital contribution.

▪ Profit shall be paid on a prorated basis up to the effective date of termination.

▪ A fixed administrative charge of five percent (5%) of the original capital contribution shall be deducted prior to remittance.

b) Exit between Months 25 to 36 (inclusive):

▪ The Investor shall be entitled to a refund equivalent to forty-five percent (45%) of the original capital contribution.

▪ Profit shall be paid on a prorated basis up to the effective date of termination.

▪ The five percent (5%) administrative fee shall also apply.

c) Exit after Month 36:

▪ No refund of capital shall be due.

▪ The Investor shall continue to receive the agreed monthly profit payouts in accordance with Clause 2 until the conclusion of the 60-month term; or

6.3 The Operator reserves the right to terminate this Agreement prior to the lapse of the 60-month term only under exceptional circumstances, including but not limited to:

- Total and irrecoverable loss of the vehicle not compensated by insurance.

- Legislative or regulatory changes rendering the business model commercially unviable.

- Force majeure events as defined under Clause 9.

6.4 In the event of early termination initiated by the Operator for any reason not attributable to force majeure or breach by

the Investor:

- Total and irrecoverable loss of the vehicle not compensated by insurance.

- The Operator shall refund the unamortized portion of the capital investment based on straight-line depreciation at 20% per annum, calculated from the original deployment date to the effective termination date.

- The Investor shall also receive any accrued but unpaid profit due as of the termination date.

6.5 No early termination shall affect the obligations already accrued as of the date of termination, including but not limited to tax compliance, regulatory filings, or insurance responsibilities.

6.6 Any disputes arising from or in relation to early termination shall be resolved in accordance with Clause 7 (Legal Framework and Dispute Resolution).

7. GOVERNING LAW AND DISPUTE RESOLUTION

7.1 This Agreement shall be governed by, and construed in accordance with, the laws of the Republic of Uganda, without regard to conflict of law principles.

7.2 Any dispute or claim arising out of or in connection with this Agreement, or the breach, termination, or invalidity thereof, shall be resolved through amicable negotiations between the Parties in good faith for a period not exceeding thirty (30) calendar days from the date written notice of the dispute is delivered by one Party to the other.

7.3 In the event the Parties are unable to resolve the dispute through negotiation within the stipulated period, the dispute shall be referred to and finally settled by arbitration in Kampala, in accordance with the provisions of the Arbitration and Conciliation Act, Cap. 4.

7.4 The arbitration shall be conducted by a single arbitrator appointed jointly by the Parties. In the absence of agreement on the appointment within fifteen (15) days, the arbitrator shall be appointed by the Centre for Arbitration and Dispute Resolution (CADER), whose decision shall be final and binding.

7.5 The language of the arbitration shall be English, and the seat of arbitration shall be Kampala, Uganda. The resulting arbitral award shall be enforceable in the Commercial Division of the High Court of Uganda.

8. CONFIDENTIALITY

8.1 Each Party agrees to treat as confidential all terms of this Agreement, together with any information exchanged in connection with the performance hereof, including but not limited to financial projections, operational data, pricing models, and any technical or commercial information.

8.2 Neither Party shall disclose such information to any third party without the prior written consent of the other Party, unless:

- Required by law, court order, or regulatory authority.

- Disclosed to that Party’s legal or financial advisers under a duty of confidentiality.

- Already in the public domain through no fault of the receiving Party.

8.3 This confidentiality obligation shall survive the termination or expiry of this Agreement for a period of five (5) years.

9.1 Neither Party shall be liable for any delay or failure in performance of its obligations under this Agreement, if and to the extent such delay or failure results from events beyond the reasonable control of the affected Party, including but not limited

9. FORCE MAJEURE

to:

- Acts of God, flood, drought, earthquake, or other natural disaster.

- Epidemics, pandemics, or health-related governmental shutdowns.

- Acts of terrorism, war (declared or undeclared), civil unrest, or riots.

- Government restrictions, embargoes, or changes in law or regulation.

- Nationwide strikes, lockouts, or industrial action not directly involving the Party’s personnel.

9.2 The Party claiming force majeure shall promptly notify the other Party in writing, stating the nature and expected duration of the event. The obligations of the affected Party shall be suspended for the duration of the force majeure event, but the Parties shall cooperate in good faith to mitigate its effects.

10. EXECUTION AND SIGNATURES

10.1 This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute the same instrument.

10.2 Signatures transmitted via electronic means, including scanned PDF or secure digital signature, shall be deemed valid and binding for all purposes.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written:

INVESTOR:

Name and Surname:

Signature:

Date:

For and on behalf of AVOTEIN FARMS LTD

Authorized Representative: HANI DAHLAN

Title: CEO

Signature:

Date:

WITNESS:

Name and Surname: