

China (Shanghai) Free Trade Experiment Zone Leasing Contract

Shanghai Waigaoqiao Free Trade Zone United Development Co.Ltd.
Shanghai Waigaoqiao Free Trade Zone 3U-Development Co. Ltd

Leasing Contract

Leaser: Shanghai Waigaoqiao Free Trade Zone United Development Co.Ltd.

(The first party)

Address: 6 Jilong Road, Free Trade Experiment Zone, Shanghai, China

Legal Representative: Zhong Yao

Tenant: Jiemai(Shanghai) Medical International Trade Co.Ltd. (The second party)

Address: 190 Hedan Road, 2nd Floor A, Free Trade Experiment Zone, Shanghai, China

Legal Representative: Sang Uk Yi

According to The PRC Contract Law, The PRC Urban Property Management Law, and other relevant rules, in order to specify the relationships and duties of the leaser and the tenant, this contract should be signed after both parties have reached agreements.

1. Basic Information about the Leasing Property

1. Name of the property: D13-32-2C
2. Property Address: 190 Hedan Road, 2nd Floor C, Free Trade Experiment Zone, Shanghai, China
3. Property Area: 658.684 square meters (The floor plan is attached in the Appendix)
4. Property Usage: storage
5. Property structure, loading, and relevant property facilities (included in the Appendix)

2. Leasing Time Limit

The leasing time limits are from 2018 / 01 / 01 to 2018 / 12 / 31, in total: One Year and ___ months

3. Security deposit and rent deposit

1. The rent deposit is calculated by 283.605 Yuan (including tax 28.105 Yuan) per square meter, and the annual rent deposit is 186806.08 Yuan (including tax 18512.31 Yuan), in total 186806.08 Yuan (including tax 18512.31 Yuan).

2. The rent starts 2018 / 01 / 01, the first deposit needs to be made within (2018 / 01 / 01 to 2018 / 03 / 31), rent payment 46701.52 Yuan (including tax 6428.08 Yuan) should be paid 10 business days after the contract is effective. After the first rent deposit, every 3 months, the rent payment is due, and every rent payment is 46701.52 Yuan (including tax 6428.08 Yuan). The second party needs to pay the next rent deposit before the 20th on the last month of the three-month period.

3. The rent payment will remain unchanged for ___ year ___ month, and the rent payment will be increased, starting from ___ Year ___ Month ___ Day, with a rate of ___ % every ___ year.

4. With 10 business days after the contract is effective, the second party should pay a security deposit, equal to three months of the rent payment including tax, in total ___ Yuan. A security deposit, from the last contract, of 45122.43 Yuan will be transferred to the current contract, a compensated amount of

___ Yuan, Payment method and time limit will be the same as the current payment method and time limit. No interest rate for security deposit. The first and the second party will be making a further agreement on security deposit on condition 8.

5. Unless the first party requested, the second party should transfer the above payments into the first party's indicated bank account: A and the receipt of tax will be given to from the first party's delegated property management company to the second party.

A: RMB account

Shanghai Waigaoqiao Property Management Co. Ltd.

Shanghai Pudong Development Bank, Yanggaobei Road Branch 98440155200000151

Or

B: RMB account

Shanghai Sankai Property Management Co. Ltd.

ICBC, Xinling Road Branch 1001192309004615565

4. Property Transfer

1. The second party should go to the first party's location to process the property transfer within 10 business day after paying the first rent deposit and the security deposit. The second party's delegated representative should have relevant documents including proof of delegation of the second party. The property transfer will be considered processed after the first and the second party signed and sealed the checklist. If the second party delays the transfer process, the 2 condition in the contract, which regulates the starting date, will not be influenced by the delay. Other issues, except for the property's structural quality problems, will not influence the property transfer, but issues should be noticed on the checklist, and the first party has to fix the issues that are indicated on the checklist within 60 days.

2. If the contract is terminated, the second party should follow the lease return restore notice, to restore the property to its original display and return it to the first party. The first and the second party signed and sealed on the checklist, the property will be considered transferred. If the second party fails to restore the property to its original display, the second party has to pay the repair fee to the first party.

3. The second party fails to process the property transfer before the contract termination, the first party has rights to ask for an extra usage fee of the property. The daily usage fee after the contract is terminated, is equal to two times of the daily rental fee. If the second party delays to move out of the property, the first party should send the final notice to the registered address of the second party to ask for moving out within a certain time. If the second party fails to move out within the final notice deadline, the first party has right to process the belongings of the second party in the property. If the contract is terminated due to a delay of rent deposits, the first party has rights to follow the condition 12, 2(1) to process the personal assets of the second party in the property.

5. Public Facility

1. The second party should apply and pay for the public utilities, including water, electricity, communication, and fees that involve water processing and its installations (construction, material, capacity-increases, delegation and another relevant fess.) The relevant delegation fee should be agreed and signed.

2. According to the second party's demand, the first party should supply electricity. As for electricity capacity, installation fees, electricity fee, and usage standard, the first and the second party needs to make and sign Electricity Supply Agreement.

3. The second party should follow laws of the national firefighting laws, pay and install firefighting facility on the property and request for approval from the relevant departments.

6. Property Management

1 The second party agrees to let A: Shanghai Waigaoqiao Property Management Co. Ltd. Or B: Shanghai Sankai Property Management Co. Ltd to fully delegate the first party to operate the property management. After signing the contract, prior to the property-transferring process, the second party should make and sign another Property Management Agreement with the property management company.

2. The second party should pay for property management fee to the selected property management company after the property is transferred. The details of the service fee need to be signed outside of the contract between the second party and the property management company.

7. Property Usage, Repairs, and Management

1. The first party or the delegated property management company should manage and repair the public facilities and devices and adjust relationships with any neighbors.

2. The first party or the delegated property management company should manage and clean the public area, the vegetation areas, which are outside of the property.

3. The second party has rights to request and pay for any interior decoration after apply and be approved by the first party. The second party can not damage the property's structure, or overload the floor, should follow the national and local legal restrictions on construction, firefighting system, environmental protection and public hygiene. If the construction is conducted without being approved by the first party, the first party has rights to ask the second party to restore the property to the original display. If the construction makes the property facility damaged, the second party should pay for the damage, and the first party has right to terminate the contract on the misconduct of the second party.

4. The second party confirmed that the usage of the property follows the condition 1. 4 and can not change the property's registered usage, follow laws to protect the public interest. The first party is responsible for the natural damage to the property and its facilities. The second party is responsible for paying and fixing any unnatural damages to the property and its facilities.

5. Any sublease needs to be approved by the first party, and if the second party sublease the property without gaining permission from the first party, the first party has rights to terminate the contract.

6. For safety purposes, any explosive, toxic, acidic harmful objects are not allowed, unless gaining permission from the legal departments. Wastewater needs to be processed before going into the discharging pipes. Any toxic gases are not allowed to be produced. If the second party violates the restrictions, the first party has right to terminate the contract, and the second party needs to pay for the charges due to such conducts.

7. The second party cannot conduct criminal or illegal activities on the property, or the first party has rights to terminate the contract.

8. The second party can temporarily park its loading trucks in the public space outside of the property after being approved by the first party or the delegate property management company, but the trucks have to leave after loading the cargo, the vehicles are not allowed to park without permission or loading cargos in the public areas. The first party and its delegate property management company should make relevant management policies to prevent stuck traffic.

8. Security Deposit

1. The contract confirms that the security deposit can be used to repair damages and to ensure required payments. If the second party delays to pay any of the mentioned payments, the first party can use the security deposit for the unpaid fees. The second party needs to pay for the used amount within 10 business days after receiving the notice, that the first party has used the security deposit to pay for the unpaid fees, following the condition³ of this contract.

2. If the second party fails to fill in the missing security deposit on time, 0.5% of the missing security deposit needs to be paid to the first party every late day. If the second party fails to fill in the security deposit within one month, the second party has right to terminate the contract.

3. After the contract is terminated, both parties will not proceed the lease. The first party needs to confirm that the second party has paid off all the required deposits and fees. The second should restore the property to its original display according to the property restore notice. The property needs to be turned back to the first party before the termination, and the first party needs to return the security deposit to the second party within 10 business days after the property is turned back. If the second party uses the property address as its business registration, the first party will return the security deposit within 10 business days after the address of the business registration is changed or canceled with receipt of change proof.

9. Insurance

1.. The second party's personal assets should be insured on its own behalf.

2. The property that the first party offered (including its facilities) should be insured by the first party on its own behalf

10. The Change Ownership of the Property

Before the contract is expired, if the first party transfer its ownership of the property to a third party, the second party is considered as giving up the priority of purchase. The first party should inform the second party honestly about the transfer of ownership, and at the same time, the first party needs to make sure that this leasing relationship will proceed in the property transfer contract with the party that the property is transferred to.

11. Cancellation

1. If this contract terminated, any guarantee about the bonded warehouse that the first party has done for the second party at any legal departments are ineffective. The first party has right to cancel the guarantees for the second party

2. When the contract is terminated, the second party should start the transfer process of the assets in the bonded warehouse at the customs. If the second party fails to do the above process, the second party needs to take responsibility for any legal outcome. The first party will follow condition 4.3 in this contract to ask for property usage fee if the second party fails to do the transfer process. The second party will also need to pay for any costs of the first party that are due to this delay.

3. Once the contract is terminated or ended, the second party needs to cancel or update the business registration (based on the industrial business receipt). If the second party fails to do the above process, the second party will have to take the legal outcomes on its own behalf. The first party will follow condition 4.3 in this contract to ask for property usage fee if the second party fails to do the transfer process. The second party will also need to pay for any costs of the first party that are due to this delay.

12. Violation

1. The First Party's Violation

(1) If the first party fails to transfer the property on time, every day, the first party needs to pay 0.5% of the monthly rent deposit to the second party. If the delay is over one month, the second party has rights to terminate the contract. During the late days, the second party does not need to pay for rent and property management fees.

(2) During the leasing period, the facilities, which should be the first party's responsibilities, based on the contract, the party has to fix the facilities within 60 days. If the first party refuses to fix those facilities within a certain time period, the second party has right to terminate the contract.

2. The Second Party's Violation

(1) If the second party fails to pay rent on time, the second party needs to pay 0.5% of the unpaid deposit as penalty fee. The first party has right to stop its water, electricity supply for warning purposes, and the second party needs to take responsibilities for any damages. If the second party fails to pay in full the above deposit within one month, the first party has right to terminate the contract and withdraw the property. Besides, the first party has right to transfer any personal assets of the second party that remain in the property until the second party pays the delayed fees. Any costs of moving and storage will be the second party's responsibilities. If any damages to personal assets are done during this process, the second party needs to take responsibilities for that as well. If the second party still can not pay the delayed fee one month after the relocation of its belongings by the first party, the first party has right to sell its assets.

(2) The second party, after receiving notice of water bills, electricity bills, and other public utility bills, should pay for those bills to the first party or the delegate property management company seven days after receiving payment notices. If the second party fails to pay the water bills, electricity bills, and other public utilities, the second party is required to pay for late fees to those utility companies. If the second party fails to pay those utility bills one month, the first party has right to take actions to ask the supply companies to stop supplying, and the second party is responsible for any outcomes. If the second party fails to pay that utility fee for more than 2 months, the first party has right to terminate the contract and take back its property.

Even if the second party pays those utilities directly to the delegate property management company, the first party still has right to require the second party to pay any late penalty fees to the first party.

(3). The contract can be terminated early is both parties agree, and both parties are not considered a violation. The first party needs to submit a request to inform the other party three months ahead, and both parties need to confirm the leasing end day and any off-lease process. The second party needs to move any objects out of the property and return the property before 2018 / 6 / 30 and update any license relevant registration before 2018 / 12 / 31. The first party needs to assist the second party for address change.

13. Disclaimer

1. Due to unavoidable reasons, no party needs to take responsibilities, but the party which encounters the unavoidable cause should inform the other party immediately, and report in detail about the unavoidable reasons, its conflicts with the contract, and effective proof, certificates of failing to act on the contract within 10 business days. During the lease period, property damage due to the unavoidable causes should be processed on parties' own behalf. The first party needs to repair the damage to a usable condition within 60 days after the unavoidable costs, or a termination of the contract can be reached by negotiation.

2. If the property itself causes damage to the second part's assets, the first party needs to pay for the damage, and the payment responsibility follows the month lease restriction.

3. The second party can consider the promotion, claims, advertisements that the first party made, and the second part understand the local laws and restriction as a qualified investor, and the marketing operation is the second party's own decision.

14. Argument resolution and legal management

If arguments occurred between two parties, both parties can consider negotiation, or if the negotiation fails, both parties can take legal actions to Pudong Xinqu People's Court. This contract is based on the laws of the People's Republic of China.

15. The update, change and proceed of the contract

1. The contract is effective after both legal representatives signed and sealed. If the contract is signed by the company's name, the contract is effective after the legal representative signs and seals with company's name, and species the investor.

2. The contract should follow the local and national laws including any revision and updates of laws, and both parties should adjust the contract to protect interests of both sides.

3. The second party has priority of proceeding the lease when the contract is close to ending. If the second party wants to proceed the lease, the request for such demand should be sent to the first party within 60 days before the lease ends. If the request is not within this time, the first party has right to change tenant.

16. Appendix

1. If the contract confirmed that the property is used for the new company that the second party established, the first party agrees that the second party and its new company will sign responsibility and transfer agreement 15 days after getting the business license. After the transfer agreement is effective, the new company will proceed all the duties and responsibilities of the second party, which are regulated by this contract. The second party and its new company have joint liability toward the second party's loans before and after the transfer agreement are effective.

2. The following appendixes are effective for proving the contract.

- (1) The tenant business license and identification
- (2) The tenant legal representative's certificate of entrustment and identification
- (3) Investor's business license or business licensee (involving in signing the contract)
- (4) The leaser's business license
- (5) real estate ownership certificate
- (6) Property floor plan
- (7) Property structure, floor load, property facilities and etc.