

MEMORANDUM OF UNDERSTANDING (MOU)

Between

11 July 2022



Kua Foundation Limited
ABN 84625695632
20-40 Meagher St
Gadigal Country / Chippendale
NSW 2008
Australia

This document details an agreement between **Kua Foundation Limited** (Kua Foundation) and **Kua Company Pty Ltd** (Kua Company), whereby Kua Company sources green coffee exclusively from Kua Foundation to generate funds for the **benevolent relief** of Disadvantaged smallholder farmers.

Kua Foundation will source green coffee from Disadvantaged smallholder farmers in an ethical and sustainable manner. Kua Foundation will apply a **margin** to the cost price of the green coffee before on-selling to Kua Company.

And



Kua Company Pty Ltd
ACN 657 071 095
20-40 Meagher St
Gadigal Country / Chippendale
NSW 2008
Australia

This margin is the **mechanism** by which revenue for the provision of benevolent relief of Disadvantaged smallholder farmers is generated.

To increase the scope for the provision of benevolent relief of Disadvantaged smallholder farmers beyond this agreement, Kua Foundation is permitted to supply green coffee to other Buyers using the same or a similar model.

However, Kua Company must **exclusively** purchase green coffee from Kua Foundation.

1 DURATION

- A. This is a non-binding **Memorandum of Understanding** (MOU) between Kua Foundation and Kua Company. The MOU will apply from **11 July 2022** and will continue to apply until written termination is provided by either party or an alteration of this MOU supersedes it.

2 SCOPE

- A. Kua Foundation and Kua Company are committed to maintaining a **positive and cooperative** working relationship.
- B. As part of the parties' **mutual commitment**, Kua Foundation and Kua Company will act in accordance with the spirit and intent of this MOU, even though neither party intends that it be legally binding.

3 OBJECTIVES

- A. Kua Foundation will source and supply ethically and sustainably sourced green coffee to Kua Company on an **annual** basis.

4 RESPONSIBILITIES

- A. In September each year, Kua Company must commit to a specific number of tonnes to be purchased by Kua Foundation for the following year (landing in Australia in April or thereabouts) based on Kua Company's **projected sales**.
- B. Data on Kua Company's projected sales must be shared **transparently** with Kua Foundation.
- C. In the event that the projections are an underestimation, Kua Company must consult Kua Foundation in the purchase of additional green coffee and where possible, Kua Foundation will **source for the gap**.
- D. In the event that the projections were an overestimation, Kua Company commits to selling excess green coffee at their **own expense**.

5 REPORTING

- A. Kua Foundation will provide an annual **impact report** to Kua Company when coffee lands in Australia detailing how the purchase has provided benevolent relief to Disadvantaged smallholder farmers.
- B. To enable Kua Company to communicate the value of the partnership to its various stakeholders, Kua Foundation will endeavour to share additional updates **in between** annual impact reports.
- C. Kua Company will share with Kua Foundation its **annual and financial reports**, thereby communicating its capacity to maintain or increase purchasing in a fair and transparent manner.

6 VARIATIONS

- A. The parties may agree to vary any of the requirements of this MOU. Such agreement must be **in writing and signed** by both parties.



Signed

By Kua Foundation Limited

Signed for Kua Foundation Limited by its authorised representative in the presence of:

Signature of Witness

Name of Witness

Date:

Signature of Representative

Name of Representative

Title of Representative

Date:

By Kua Company Pty Ltd

Signed for Kua Company Ltd by its authorised representative in the presence of:

Signature of Witness

Name of Witness

Date:

Signature of Representative

Name of Representative

Title of Representative

Date: