

1. Scope

1.1. These terms and conditions of purchase (the "General Conditions") shall apply to every offer, quote, purchase order ("PO"), order confirmation, invoice and/or agreement for the delivery of any kind of goods or (to the extent applicable) services or the results of the services (the "Goods"), concluded between a supplier and Lotus Bakeries Korea Co Ltd, with company number 110111-0651839 (the "Purchaser"). In the event of any conflict between these General Conditions and any more specific conditions agreed in writing between the parties (the "Specific Conditions"), the provisions of the Specific Conditions shall prevail.

1.2. The PO, the General Conditions and the Specific Conditions shall hereinafter jointly be referred to as the "Agreement".

1.3. The supplier agrees to be bound exclusively by these General Conditions and the supplier renounces in full the application of its own general terms and conditions (of sale), even if they are sent at a later date, which are rejected by the Purchaser.

2. Prices, invoicing and payment

2.1. The prices set out in the PO or in the Specific Conditions shall be fixed. The prices include all costs, expenses and applicable taxes. Prices cannot be increased for any reason without the prior written consent of the Purchaser.

2.2. Invoices must be sent to the registered office of the Purchaser in the currency as indicated by the Purchaser. The invoice must include the particulars required by the Purchaser (including but not limited to the description of the Goods, volume, price, PO number, etc.) and other information required by applicable law.

2.3. To the extent permitted by law, unless otherwise agreed between parties, invoices shall be paid, at the Purchaser's discretion, within 60 calendar days following receipt of the invoice or within 15 calendar days following receipt of the invoice, in which case a 2% discount for payment shall apply.

2.4. If the delivered Goods are not compliant with the Agreement, the Purchaser is entitled to suspend the payment of the outstanding invoices that relate to these Goods.

2.5. Without prejudice to any other right or remedy it may have, the Purchaser reserves the right to set off at any time any amount owing to it by the supplier against any amount payable by it to the supplier.

3. Offers, orders and delivery

3.1. An agreement is entered into between the Purchaser and the supplier when the supplier has accepted the PO in writing or starts to perform in accordance with the PO. Any order confirmation from the supplier may not contain any amendments to the PO of the Purchaser. The Purchaser may withdraw any PO at any time before supplier informed in writing that the PO is accepted by the supplier.

3.2. The supplier shall deliver the Goods at the address set out in the Agreement during normal business hours.

3.3. The terms of delivery shall be as specified in the PO or the Specific Conditions. Any reference to such terms shall be interpreted in accordance with the most recent INCOTERMS.

3.4. If no delivery terms have been agreed upon in the PO or the Specific Conditions, delivery shall be done DDP (Delivered Duty Paid) in compliance with the most recent INCOTERMS.

3.5. Delivery times form an essential part of the Agreement. If the supplier is unable to deliver the Goods within the agreed

delivery time, it shall immediately inform the Purchaser in writing and indicate the cause of the delay as well as the expected duration of the delay and any other factor which might hinder or obstruct the performance of its contractual obligations. The supplier shall take all reasonable efforts to mitigate the delay or any other breach of its obligations. Failure of the supplier to deliver the Goods on time entitles the Purchaser to terminate the Agreement in accordance with clause 13 of these General Conditions and/or to recover from the supplier any cost or loss incurred due to the non-timely delivery. Execution of this right is without prejudice to any other legal remedy to which the Purchaser might be entitled.

4. Transfer of risk and title

4.1 Unless explicitly agreed otherwise in the PO or the Agreement, ownership of the Goods passes to the Purchaser upon delivery of the Goods and risk of loss or damage to the Goods passes to the Purchaser in accordance with the agreed INCOTERM.

5. Acceptance

5.1. The mere receipt of delivery of the Goods by the Purchaser or payment of an invoice for the Goods by the Purchaser does not imply acceptance of the Goods.

5.2. The Purchaser shall report visual defects as soon as possible following inspection or use of the Goods (in production or otherwise). The supplier is informed that inspections will not occur systematically upon delivery and therefore certain defects may only occur during production or after sale of the finished Goods, which does not exempt the supplier from its liability. Hidden defects shall be notified to the supplier as soon as possible upon discovery.

5.3. The supplier shall be liable for any visual or hidden defects. If the delivered Goods are not compliant with the PO or the Agreement, the Purchaser is at its sole discretion entitled to refuse the Goods and require the supplier to replace the Goods at its own cost and expense or a refund of the amounts paid by the Purchaser for the rejected Goods. Execution of this right is without prejudice to any other contractual or legal remedy or indemnity to which the Purchaser might be entitled.

5.4. If the supplier fails to promptly replace rejected Goods in accordance with clause 5.3, the Purchaser may, without affecting any other rights it may have, obtain substitute products from a third party, or have the rejected Goods repaired by a third party, and the supplier shall reimburse the Purchaser for the costs it incurs in doing so.

6. Warranties and quality assurance

6.1. The supplier is exclusively responsible for the quality assurance of the supplied Goods (including but not limited to the quality of the used ingredients) and shall assure that the Goods are manufactured, packaged and supplied in full accordance with the instructions given by the Purchaser as set out in the PO and/or the Agreement and always at least in accordance with applicable (international, national, federal, state, local or other) laws and best industry practices.

6.2. Unless after timely prior notice to and with the prior written approval of the Purchaser, the supplier shall not change, amend or alter in any way the product specifications or origin of the ingredients of the Goods nor make any change to its production process which might have an impact on the quality, properties or composition of the supplied Goods. Without prejudice to the foregoing, the Purchaser is entitled to terminate the Agreement,

with immediate effect and without court intervention or indemnification, upon any such amendment or change by the supplier.

6.3. The supplier shall amend the specifications of the Goods as soon as possible upon written request of the Purchaser and in any event within the agreed time period.

6.4. The supplier represents and warrants to the Purchaser that:

- a) the delivered Goods shall be (i) free from any defects in workmanship, material and design, (ii) merchantable and fit and suitable for the purpose they are intended to be used by the Purchaser, and (iii) free and clear of all liens, security interests or other encumbrances;
- b) the supplier is in, and the delivered Goods shall be in, full compliance with, the Agreement, from good quality, compliant with best industry practices and with all relevant (national, local or other) laws and regulations applicable in the delivery location;
- c) the delivered Goods and packaging shall fully conform with the product specifications of the Purchaser for the relevant Goods prevailing at the time of delivery;
- d) the supplier is fully aware and informed that the Purchaser is a producer of food for human consumption and shall take all required measures to ensure the safety and quality of the Goods, to the extent applicable;
- e) supplier shall provide full traceability of its Goods throughout the entire production process and keep and store all documentary evidence thereof for at least 2 years following the date of delivery of the Goods;
- f) for food, food ingredients or other products in contact with food or ingredients, supplier shall in particular ensure full compliance with all applicable national and local laws and regulations, as amended from time to time, including in particular those regulations concerning nutrition, hygiene, HACCP, labeling, traceability and food in general;
- g) the supplier has obtained and shall at all times comply with all required permits, licenses or other kind of authorizations required in relation to the production and sale of the Goods;
- h) the delivered Goods shall not infringe or misappropriate any third party's patent or other intellectual property rights;
- i) to the extent applicable, the supplier guarantees that the services shall be carried out by experienced and skilled personnel;
- j) the supplier shall commit to the Supplier Business Principles which can be consulted at: www.lotusbakeries.com/governance-practices-and-policies; and
- k) the supplier warrants it has sufficient capacity to deliver the Goods to the Purchaser under the Agreement.

6.5. The supplier's representations and warranties set out in these General Conditions do not affect or weaken the protection, warranties and remedies implied by law. Such warranties survive any delivery, inspection, acceptance or payment of or for the delivered Goods by the Purchaser. Such warranties are cumulative and in addition to any other warranty provided by law. Any applicable statute of limitations runs from the date of the Purchaser's discovery of the non-compliance of the Goods with the foregoing warranties.

7. Indemnification

7.1 The supplier shall defend, indemnify and hold harmless the Purchaser and the Purchaser's parent company, its subsidiaries,

affiliates, successors or assigns and their respective directors, officers, shareholders and employees and the Purchaser's customers (collectively, "Indemnitees") for any direct or indirect damages, costs, losses, claims or any other expenses incurred by Indemnitees of whatever nature arising out of or occurring in connection with the Goods purchased from supplier or supplier's negligence, willful misconduct or any other act or omission under the Agreement by the supplier or its subcontractors. The supplier shall not enter into any settlement without the Purchaser's or Indemnitee's prior written consent.

8. Insurance

8.1 To insure amongst others its liability towards the Purchaser and third parties, the supplier agrees to maintain during the term of this Agreement and for a period of twenty four (24) months thereafter a commercial general liability insurance, including product liability and contractual liability. The supplier also agrees to maintain an all-risk insurance, including for theft of, loss of and damages to the Goods. All insurances must adequately and sufficiently cover the supplier's liabilities under the Agreement and by law. A certificate of insurance will be provided by the supplier upon request of the Purchaser.

9. Force majeure and exclusion of the possibility of renegotiation in case of hardship

9.1. Neither party shall be liable towards the other party for non-compliance with its contractual obligations, if and to the extent such non-compliance is directly attributable to events of force majeure.

9.2. Events of force majeure are unforeseen events or causes which are not under a party's control and which cannot be attributed to the fault of them, and render the execution of a party's obligations wholly and absolutely impossible. Force majeure shall in any event not include: (i) lack of personnel, strikes or social disputes on company level, (employee) lockout, illness (ii) pandemics (and related governmental orders) (iii) unexpected price increases of raw materials and personnel (iv) unsuitability of goods needed in the production process (v) lack of capacity (vi) breach of contract by any third parties engaged by the supplier (vii) cyber attacks.

9.3. Each party shall forthwith inform the other party of the occurrence of a force majeure event preventing such party from complying with its contractual obligations.

9.4. To the maximum extent permitted by applicable law, the possibility of renegotiating this agreement with a view to adapting it or terminating it if conditions of hardship would be fulfilled in accordance with applicable law, is explicitly excluded.

10. Supplier audit

10.1. The Purchaser shall be entitled to perform supplier audits at the premises of the supplier to ensure the quality of the Goods and compliance with the Agreement. The Purchaser shall notify the supplier sufficiently in advance of its intention to perform a supplier audit. The supplier undertakes to fully cooperate with the Purchaser in the performance of the audit and shall, amongst others, give access to any part of its premises relevant in relation to the audit and provide the Purchaser with any documents or assistance it might require.

11. Confidentiality

11.1. The Purchaser might disclose information relating to any aspect of its business to the supplier (the "Confidential

Information"). Information which is publicly available shall not be considered as Confidential Information. The supplier (i) shall not disclose the Confidential Information or in general make any public statement relating to its relationship with the Purchaser, without the Purchaser's prior written consent, (ii) shall keep all Confidential Information strictly confidential and (iii) shall not use the Confidential Information in any other manner than as strictly necessary for the performance of its obligations towards the Purchaser. The supplier guarantees the compliance of its employees and other officers with the provisions of this clause and shall hold the Purchaser harmless for any breach hereof by its affiliates, directors, officers, employees or those of its affiliates.

12. Intellectual Property Rights

12.1. Each party shall remain the owner of its trademark, patents and any other intellectual property rights owned by it prior to the start of the Agreement or created or developed outside the scope of the relationship between parties. Unless explicitly agreed otherwise, the Agreement does not entitle the supplier to use any trademark, patent or other intellectual property right owned by the Purchaser.

12.2. Bespoke products or concepts and related information and data developed for the Purchaser in partnership ('New Products') will be the exclusive property of the Purchaser. The supplier hereby irrevocably assigns and transfers to the Purchaser all right, title and interest in and to the New Products, including, without limitation, all patent and copyright interests, know-how and trade secrets and agrees to execute all documents reasonably requested by the Purchaser for the purpose of applying for and obtaining domestic and foreign patent and copyright registrations.

13. Termination

13.1. Unless other specific arrangements set out in the Agreement and without prejudice to any other rights and remedies of a party under the applicable law, either party is entitled to terminate the Agreement with immediate effect and without court intervention or indemnification by written notice to the other party (i) if the other party is in material breach with any obligation set out in the Agreement and has failed to remedy such breach within ten (10) business days following receipt of notice of default or (ii) to the extent permitted by law, if the other party becomes insolvent, bankrupt or is unable to pay its creditors, is involved in a liquidation, in the event of change of control or any similar procedure under any relevant jurisdiction.

13.2. Termination (in whole or in part) of the Agreement shall not affect the Purchaser's rights in relation to the Goods (including its rights to use, modify, transfer, sell, lease or otherwise dispose of the Goods), nor the supplier's or the Purchaser's rights or responsibilities accrued prior to or as a result of such termination nor the validity of any provision of the Agreement intended to survive the termination of the Agreement.

14. Miscellaneous

14.1. The Agreement, together with any documents incorporated in the Agreement by reference, constitutes the sole and entire agreement of the parties with respect to the Agreement, and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral, with respect to the subject matter of the Agreement. The present agreement may only be

amended by a document in writing signed by the supplier and the Purchaser.

14.2. In the event that any one or more of the provisions of the Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of the Agreement, but the Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein. In such case, the parties shall make every effort to make a valid and enforceable Agreement in lieu of the ineffective provision, which reflects as closely as possible the provision which has become ineffective.

14.3. Unless with the prior written consent of the Purchaser, the supplier shall not, in whole or in part, transfer, assign or otherwise dispose of the Agreement, nor subcontract any of its obligations under the Agreement to a third party. Any purported assignment or delegation in violation of this clause shall be null and void. No assignment or delegation shall relieve the supplier of any of its obligations under the Agreement. The Purchaser is entitled to assign, transfer or subcontract its rights or obligations under the Agreement in whole or in part at any time without the supplier's prior written consent.

14.4. When processing personal data, the parties will comply with their respective obligations under the applicable data privacy legislations. The Purchaser will process personal data only in as far as necessary for the execution of the Agreement unless otherwise agreed between the parties. More information about the processing of personal data by the Purchaser and the rights of the data subjects can be found in the Privacy Disclaimer on the Purchaser's website.

15. Applicable Law and Jurisdiction

15.1. The Agreement, and all matters arising out of or relating to the Agreement, are governed by, and construed in accordance with Korean laws. The application of the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded.

15.2. Any dispute, action or proceeding arising out of or in relation to this Agreement shall be exclusively settled by the competent courts of the location of the registered office of the Purchaser.