

All transactions and orders are subject to the general terms and conditions of sale, and acceptance of this document represents acceptance of the general terms and conditions of sale which can be found on our website.

General Terms and Conditions of Sale

1. General

1.1 These terms, as amended, are the basis for all present and future business transactions for supplies and services with companies, public law legal entities and public law special funds. Any different terms and conditions from customers that we do not acknowledge in writing are not binding on us, even if we do not contradict them explicitly or accept performance of the contract without raising a specific objection.

1.2 Verbal statements given by our employees only come into force following our written confirmation.

2. Offers, acceptance of orders, prices

2.1 Our offers are always subject to change without notice. Goods are subject to prior sale.

2.2.1 Third parties may not be given access to offers, cost estimates, drawings, brochures or any other documentation. We retain copyright and title to these until an order is placed.

2.2.2 Otherwise, all information regarding the business relation is to be treated confidentially, especially with regard to our know-how.

2.3.1 Qualities, dimensions and weights are in accordance with commercial practice, in particular the most recent version of the ICC-Incoterms®. They do not represent assurances or guarantees; neither do inspection certificates, claims by manufacturers.

2.3.2 The dimensions and weights we determine are final and are subject to the usual fluctuations. Volume indications in our documents may represent 5% more or less.

2.4.1 Amounts supplied will be as specified in our offer/statement of acceptance. Objections to these statements must be communicated to us in writing without delay, no later than **one week** after receipt, in any case prior to execution of the corresponding order.

2.4.2 Customers are responsible for ensuring that the use of the products marketed by us is legally and technically permitted, even if we have recommended them accordingly.

2.5 Prices are net ex-factory, plus freight and collection and disposal costs, in accordance with the ICC-Incoterms® chosen for each operation. Unexpected additional expenses caused by the execution of the delivery and for which surcharges have not been agreed will be borne by the customer, unless we are clearly responsible for them.

3. Performance

3.1.1 We will deliver at risk as agreed by the Incoterm used in the transaction, depending on the transport route, method of transport and carrier chosen by us or the customer. The customer must unload the goods correctly and without delay. Waiting time will be charged to the customer.

3.1.2 Should it, through no fault of ours, become impossible or substantially more difficult to transport goods by the intended route or to the intended destination within the intended time, we are entitled to deliver by a different route or to a different destination at the customer's expense, if this is reasonable for the customer.

3.2 Insurance against damage or loss in transit will only be taken out at the express request of the customer and at his expense. Damage/loss reports must be submitted immediately upon receipt of the goods and the nature and extent of damage/loss must be notified immediately in writing, no later than one week after unloading.

3.3 Goods announced as ready for shipment, if the customer wishes, must be canceled immediately, within a period of no more than twenty-four hours from the communication. If this is not done, we shall be entitled, at our discretion, to dispatch them at the customer's risk and expense or to store them as we see fit and charge for them immediately. If there are amounts paid by customers referring to canceled orders for cargo ready for dispatch, these may be retained as a non-refundable down payment, unless the parties agree otherwise in advance.

3.4 The performance of the contract and adherence to delivery and performance deadlines are conditional on the punctual and correct delivery of supplies to us by our suppliers, except where failure to deliver or delay in delivery is our fault, the correct and punctual meeting by customers of their obligations to co-operate, in particular by supplying all the information, documentation and approvals necessary for performance, the correct and punctual completion of the work required from the customer or third parties necessary for our performance, in particular including the provision of suitable unloading equipment.

3.4.1 Partial deliveries by decision of the manufacturers and/or shipowners must be accepted, unless the customer proves that it is unreasonable to expect him to do so. We are entitled to supply more or less as usual in trade.

3.5 In all cases of force majeure, including industrial action, we are no longer under an obligation to perform. Otherwise, the provisions of the ICC Force Majeure-Clause 2003 and ICC Hardship-Clause 2003 apply, both published in ICC publication No. 650.

3.6 Delivery dates or times only are binding for us after confirmation in writing. Periods allowed for the delivery of supplies/services are extended by the period for which customers fail to meet their obligations to us and by the duration of such interruptions described in 3.5. The same applies to deadlines for delivery or services.

4. Payment

4.1 Payments are due immediately at the date agreed in the "Payment term" field mentioned in the proforma and invoices, in dollars (USD), without deduction, unless another currency has been agreed. All payments become effective when credited to our bank account.

4.2 The customer is not entitled to claim any rights of retention or set off any claims in other transactions, including within the scope of the ongoing business relationship. No compensation by the customer is allowed unless the counterclaim is indisputable.

4.3 The customer will be in arrears if the payment term mentioned in the "Term of payment" field is not met. In such cases, we will charge interest of 5% above the LIBOR rate. We reserve the right to enforce a claim for any major loss. In case the customer is in arrears, he is already aware that we may immediately hire a debt

collection company to take the necessary judicial measures and negative credit with the global financial data analysis entities.

4.4 If, after conclusion of the contract, it becomes clear that our payment claim is at risk due to the customer's inability to pay, we shall be entitled to enforce the rights conferred by the Hong Kong Civil Code and OECD, in respect of all outstanding payments.

4.5 The customer can avoid the consequences specified in 4.4 by providing security equivalent to our payment-at-risk claim.

4.6 Otherwise, this does not affect the statutory provisions regarding late payments.

5. Retention of title

5.1 All goods supplied will remain our property ("retained goods") until the satisfaction of all of our claims arising out of the business relationship, including in particular claims on balance of current account. This also applies to future and conditional claims.

5.1.1 We may use our international right to transfer the cargo to our property even if it is in transit, whenever there are clear indications of risk of non-receipt of the amounts agreed in the contract, whether referring to the cargo in question or from other past contracts or in progress. We will only return the property to the customer after ensuring receipt and elimination of any risk of default.

5.2 The value of retained goods is the net invoice amount for the goods supplied by us. This retained balance will lapse definitively when all claims still outstanding and covered by this retained balance at the time of payment are settled.

6. Liability for material defects

6.1 Obvious material defects must be notified in writing without delay, no later than within **seven days** of delivery. The customer must give written notice without delay of material defects which are not obvious but are capable of discovery in the course of a reasonable inspection, no later than the expiry of the agreed or legally prescribed period of limitation.

6.1.1 If customers do not accept goods in accordance with statute or agreement for reasons for which we are not responsible, claims based on material defects will no longer be enforceable.

6.1.2 If material defects only become apparent when processing begins, complaints will only be considered if the processing of the defective items is stopped immediately.

6.1.3 Any claims based on material defects will lapse if customers fail to give us an immediate opportunity to inspect the defect, in particular if they do not make the goods concerned or samples thereof available on request.

6.2 The customer is immediately aware that we are not manufacturers of the products and any quality problem in the products is the responsibility of the manufacturer, which will be activated in case of being notified and we will make all the commercial and legal effort necessary to receive the complaints, if actually identified and after adopting the procedures mentioned in the previous clause.

6.3 If a justified complaint is made in time, we may initially negotiate with the manufacturer to choose to correct the defect or provide a defect-free item (remedy).

6.3.1 If the remedy fails or is refused, customers may reduce the purchase price or cancel the contract, as long as the defect in question is not insignificant and the goods have not already been sold, processed or transformed.

6.4 We will not reimburse the cost of transporting the goods to a location other than the place of performance unless this corresponds to their contractual use.

6.5 The customer's claims for material defects expire one year after delivery to the customer, even if goods are used for construction work, unless this type of use was agreed in writing.

6.7 The above provisions do not affect claims by the customer based on deliberate or grossly negligent breaches of obligation on our part, on a fraudulent failure to disclose material defects, on a guarantee provided by us or on the customer's recourse rights in accordance with ICC, as long as these do not exceed the material defect claims provided by law.

7. Other liability

7.1 We will only be liable for breaches of contractual and non-contractual obligation, including those by our executive staff and other agents, in cases of intent and gross negligence. Our liability is limited to the losses foreseeable at the time when the contract was concluded and typical of that type of contract.

8. Applicable law, place of Jurisdiction

8.1 All transactions are subject to Hong Kong law, including foreign transactions. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.

8.2 The place of jurisdiction for all claims of the contracting parties is Central, Hong Kong.

8.3 We may, however, request that disputes be resolved by friendly arbitration.

Hong Kong, 23 may 2023

SUPERIA TEXTILE LIMITED