

## Texon General Terms and Conditions of Sale and Delivery

### APPLICABILITY

1. These General Terms and Conditions of Sale and Delivery ("**T&C**") apply exclusively to, and form an integral part of, all orders, contracts, arrangements, enquiries and quotations regarding the sale, supply or delivery of goods and/or services (together, "**Deliverables**") by Texon International Group Limited and/or any of its subsidiaries anywhere in the world (together, "**Texon**" or "**we**") to any customer, buyer, distributor, business partner or any of its affiliated companies anywhere in the world (together, "**Buyer**"). Buyer and Texon are each a "**Party**", and collectively the "**Parties**".
2. Terms explicitly agreed by the Parties in a purchase order, contract or other binding agreement (together, "**Order**") shall take precedence over conflicting terms in these T&C, but only for that particular Order. We reject all standard terms and conditions of Buyer, which shall be null and void (including those printed on, attached to, or included or referred in, any Order, Order confirmation or other document), except if accepted by Texon by explicit signed and written statement.

### ORDERS

3. All Texon's offers and quotations are indicative and non-binding. Only Orders issued or explicitly accepted by Texon in writing (including by email, fax and other electronic means) are valid and shall be binding on Texon. Oral agreements require confirmation in writing. Texon is not bound by any obvious mistakes, misspellings and miscalculations in Orders or any other documents.
4. Unless explicitly otherwise provided in the Order, all information about weight, dimension, capacity, prices, efficiency and any other information included in catalogues, brochures, newsletters, advertisements, price lists, websites and promotional material provided by us are indicative, non-binding and may not be relied upon.
5. Any additional or conflicting terms or conditions set forth in any acknowledgment or communication by Buyer in respect of an Order shall have no effect, unless explicitly accepted by us in writing.

### PRICES AND PAYMENT

6. Unless otherwise agreed in writing, the price stated in an Order shall be based on the Incoterms 2020: Ex Works (EXW) (place of Texon's business). Texon's prices neither include transportation, insurance and other charges, nor taxes and duties (without limitation VAT, sales tax and import duties), and Buyer shall solely bear those costs.
7. We reserve the right to make reasonable changes to an agreed Order price where, after conclusion of that Order, cost increases arise (particularly for raw materials or labor, or due to foreign currency effects). We will provide Buyer with proof thereof on request. If Buyer rejects such price increase, we may cancel the Order without any liability on our part.
8. Unless otherwise agreed in writing, Texon's invoices shall be payable within thirty (30) days of the invoice date strictly net cash, plus the statutory VAT or other sales tax, into Texon's bank account and in the currency as stated on the invoice, without any discount, set-offs, deductions or withholdings. Payments made to representatives or employees of Texon shall not in any way discharge Buyer from its payment obligations to Texon. We are under no obligation to accept cheques or bills of exchange. Any claim by Buyer shall neither affect Buyer's obligation to pay Texon's invoices in full when due, nor entitle Buyer to suspend or set-off any payment whatsoever to Texon.
9. In case of late payment by Buyer, we are entitled, without any notification being required, to charge 0.03% default interest per day over the outstanding amount until we receive payment in full. In case of any overdue payment, or if we become aware of any circumstances that, in our reasonable opinion, reduce Buyer's creditworthiness, we may immediately suspend delivery of all pending Orders and demand advance payment or security therefor, and full prepayment for any future Orders.

### DELIVERY

10. Unless otherwise agreed in writing, (a) delivery of Deliverables shall take place in accordance with the Incoterms 2020: Ex Works (EXW) (place of Texon's business), (b) the risk of Deliverables transfers to Buyer when the Deliverables leave Texon's place of business, (c) delivery periods set out in any Order, or otherwise specified by Texon, are estimates only and shall under no circumstances be deemed firm deadlines, (d) partial or early deliveries of Deliverables are permitted, and (e) each delivery is considered a separate transaction and shall not affect the others.

11. If Buyer does not take delivery at the moment agreed upon by the Parties, Buyer has to pay for the Deliverables nevertheless, while storage of such Deliverables shall be at Buyer's risk and expense, and if the delay exceeds five (5) days Texon may elect to cancel the Order and claim damages from Buyer.
12. Unless otherwise instructed, shipment shall be made at Texon's discretion. Compliance with foreign import and customs regulations shall at all times be the sole responsibility of Buyer. Insurance will only be arranged by us, for Buyer's account, if specifically agreed upon.

### RETENTION OF TITLE

13. Texon reserves and retains title to all Deliverables. The ownership title of each Deliverable remains with Texon until Texon has received payment in full for all Deliverables under any and all Orders and any other claims we are entitled to make against Buyer arising out of its business relationship with Texon. Until then, Buyer shall store the Deliverables for Texon at Buyer's expense, separate from other goods and insured to our benefit against loss and damage. Buyer shall give us prompt written notice of any attachment or other interventions by third parties. If Deliverables have been processed or comingled with other goods, Buyer hereby assigns to Texon co-ownership in what has been created and shall keep these replaced goods separate from other goods.
14. Buyer is authorized to sell the Deliverables, or the product created by it, in the ordinary course of business. Buyer shall require our express prior consent to pledge or transfer such goods as security. The receivables arising from resale are considered assigned to Texon in the amount of our claims without a separate agreement being required, even if Buyer has manufactured or processed the goods. As long as Buyer meets its payment obligations toward us, Buyer is authorized to collect this receivable for our account, provided that Texon may demand subsequent buyers to be identified and notify them of a transfer.
15. Buyer's right to possess the Deliverables shall cease at the earlier of: (a) Buyer being in breach of any of its payment obligations to us, (b) Buyer being subject to any bankruptcy, insolvency or liquidation proceedings, (c) an administrator, liquidator or receiver being appointed over any of Buyer's assets, and (d) Buyer being unable to pay its debts as they become due, upon which we shall become entitled to enter any premises where the Deliverables are kept and retake possession of the Deliverables.

### INSPECTION

16. BUYER SHALL INSPECT EACH DELIVERABLE IMMEDIATELY UPON DELIVERY AND REPORT ANY QUALITY OR QUANTITY ISSUES IN WRITING TO TEXON WITHIN SEVEN (7) DAYS, PROVIDED THAT DEFECTS THAT CANNOT BE DISCOVERED UPON CAREFUL INSPECTION WITHIN THIS PERIOD MUST BE REPORTED TO US WITHIN SEVEN (7) DAYS AFTER DISCOVERY, AND ANY FAILURE TO DO SO SHALL RESULT IN THE DELIVERABLES BEING DEEMED ACCEPTED BY BUYER WITHOUT ANY DEFECT OR CLAIM, AND BUYER HAVING WAIVED ALL ITS RIGHTS IN THAT RESPECT.

### LIMITED WARRANTY

17. TEXON GRANTS NO WARRANTIES WHATSOEVER, EXCEPT IF TEXON AGREES THERETO IN AN EXPRESS WRITTEN AGREEMENT. EXCEPT AS EXPRESSLY PROVIDED HEREIN, ALL WARRANTIES, CONDITIONS OR OTHER TERMS IMPLIED BY STATUTE OR LAW ARE EXCLUDED TO THE FULLEST EXTENT PERMITTED BY LAW.
18. Texon undertakes to deliver the Deliverables free from material defects and defects of title, and each Deliverable is guaranteed against hidden defects due to a manufacturing defect or defect of material for a period of one (1) year after such Deliverable has left Texon's place of business. However, THIS WARRANTY SHALL NOT APPLY AND NO LIABILITY FOR TEXON EXISTS IN RESPECT OF A DELIVERABLE, IF SUCH DELIVERABLE: (A) ONLY CONTAINS A MINOR DEFECT THAT DOES NOT MATERIALLY IMPACT USE OR SAFETY, (B) CONTAINS A DEVIATION (IN QUANTITY, QUALITY OR OTHERWISE) WITHIN THE TOLERANCES SPECIFIED BY US, OR IN ABSENCE THEREOF A DEVIATION OF LESS THAN 5%, (C) HAS NOT BEEN USED STRICTLY IN COMPLIANCE WITH TEXON'S ADVICE FOR USE, (D) HAS BEEN SUBJECT TO ANY TRANSFORMATION, MODIFICATION, PROCESSING, COMINGLING OR REPAIR BY BUYER OR THIRD PARTY, OR (E) IS DEFECTIVE DUE TO (1) ANY DRAWING, DESIGN OR SPECIFICATION SUPPLIED BY BUYER, (2) FAIR WEAR AND TEAR, (3) BUYER'S OR ANY THIRD PARTY'S NEGLIGENCE, MISHANDLING, OVERUSE OR IMPROPER STORAGE, OR (4) MATERIALS OR EQUIPMENT NOT MANUFACTURED BY US (IN WHICH CASE BUYER SHALL ONLY BE ENTITLED TO THE BENEFIT OF ANY SUCH WARRANTY AS GIVEN BY THE MANUFACTURER TO US).

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19. In case a Deliverable contains a material defect for which we are responsible and Texon is timely notified thereof, Texon shall, at its sole discretion and as Buyer's sole remedy, replace or repair that Deliverable free of charge. If such repair or replacement fails twice, or is not performed within a reasonable time, Buyer may require, as its sole remedy, a reduction of the price or cancel the relevant portion of the Order.
28. "**Confidential Information**" means information that we disclose to Buyer or any of its Related Parties under or in relation to any Order or potential Order, and that is marked confidential or would normally be considered confidential information under the circumstances, including without limitation information about products, volumes, schedules, processes and prices, financial information and any information made available to Buyer or any of its Related Parties during communications, exchange of documents or visits to Texon premises (including any information disclosed prior to an Order, even if ultimately no Order is concluded).

### LIMITATION OF LIABILITY

20. Texon does not exclude or limits its liability for (a) claims based on Texon's fraudulent or wilful misconduct or gross negligence, (b) death or bodily injury caused by our negligence, nor (c) any matter for which it would be unlawful to exclude liability.
21. TEXON'S TOTAL AGGREGATE LIABILITY IN CONTRACT, TORT (INCLUDING NEGLIGENCE AND BREACH OF STATUTORY DUTY), MISREPRESENTATION, RESTITUTION OR OTHERWISE, ARISING IN CONNECTION WITH THE PERFORMANCE OR CONTEMPLATED PERFORMANCE OF ANY ORDER SHALL BE LIMITED TO THE PRICE OF THAT ORDER ACTUALLY PAID BY BUYER TO TEXON. WITHOUT PREJUDICE TO THE FOREGOING, THE MAXIMUM AMOUNT OF TEXON'S LIABILITY SHALL AT ALL TIMES BE THE THEN EXISTING INSURANCE COVERAGE OF TEXON. TEXON SHALL UNDER NO CIRCUMSTANCES BE LIABLE FOR ANY INDIRECT OR CONSEQUENTIAL LOSS, ANY DAMAGES THAT WERE NOT FORESEEABLE BY US, NOR FOR ANY LOSS (WHETHER DIRECT OR INDIRECT) OF PROFIT, REVENUE, PRODUCTION, CONTRACT, BUSINESS, REPUTATION OR GOODWILL.
22. TO THE EXTENT THAT TEXON'S LIABILITY IS PRECLUDED OR LIMITED, THIS IS ALSO FOR THE BENEFIT OF OUR RELATED PARTIES. BUYER SHALL, AND IT SHALL CAUSE ITS RELATED PARTIES TO, MAKE ANY CLAIMS REGARDING AN ORDER ONLY AGAINST THE RELEVANT TEXON CONTRACTING ENTITY (SUBJECT TO THESE T&C) AND REFRAIN FROM MAKING ANY CLAIMS AGAINST ANY OF THAT ENTITY'S RELATED PARTIES.

### FORCE MAJEURE

23. TEXON SHALL NOT BE LIABLE TO BUYER, NOR BE DEEMED IN BREACH OF ANY ORDER, BY REASON OF ANY DELAY IN PERFORMING OR ANY FAILURE TO PERFORM ANY OF ITS OBLIGATIONS UNDER ANY ORDER, IF THE DELAY OR FAILURE WAS DUE TO ANY CAUSE BEYOND TEXON'S REASONABLE CONTROL OR IF THE CAUSE WAS UNFORESEEABLE (INCLUDING WITHOUT LIMITATION OPERATIONS INTERRUPTIONS, SHIPPING DISRUPTIONS, WORK STOPPAGES, LOCKOUTS, LATE OR INADEQUATE PROVISION OF TRANSPORT SPACE, IMPORT OR EXPORT BANS, MOBILIZATION, WAR, PANDEMICS, GOVERNMENT MEASURES, LACK OF OR INSUFFICIENT DELIVERY OF RAW MATERIALS AND SIMILAR CIRCUMSTANCES FOR WHICH WE ARE NOT RESPONSIBLE).

### INTELLECTUAL PROPERTY

24. Any and all intellectual property rights in the Deliverables, in Texon's Confidential Information and in Texon's trademarks and tradenames shall at all times remain the sole property of Texon, and Buyer shall acquire no intellectual property rights therein whatsoever. Buyer guarantees and undertakes towards Texon that it shall not, and Buyer shall procure that none of its Related Parties shall, reproduce, replicate, duplicate, make adaptations or variations of, modify, repair, disassemble, decompile, reverse engineer, nor in any other manner copy any of Texon's Deliverables or Confidential Information, and only use Texon's trademarks and tradenames upon our explicit prior written approval.

### COMPLIANCE

25. Buyer shall at all times comply with all applicable laws, regulations, standards, and Texon's Code of Conduct for Texon Business Partners, and shall upon request provide Texon with written confirmation thereof. Buyer guarantees to Texon that it holds all permits, licenses and approvals required for the import, transit and handling of the Deliverables.
26. Buyer shall refrain from any action involving fraud or breach of trust, bankruptcy, antitrust, profiteering, bribery or other corruption offenses of persons or third parties employed by Buyer. Buyer will also contractually obligate its business partners to comply with these obligations.

### CONFIDENTIALITY

27. Buyer shall not disclose Confidential Information, except to employees, affiliates, agents, or professional advisors who need to know it for the purpose of an Order and who have a legal obligation to keep it confidential, provided that Buyer shall be liable for any breaches of confidentiality by any of these persons. Buyer will use the Confidential Information only to exercise rights and fulfil obligations under the Orders, or disclose it when legally compelled by a court or other government authority.

### DATA PROCESSING

29. We are authorized to process Buyer's data and that of its Related Parties received in connection with our business relationship, subject to relevant data protection legislation, regardless of whether such data originated from Buyer itself or from third parties. We are further authorized to transmit Buyer's invoice related data to third parties for the purpose of factorization. These third parties are also authorized to process and transfer the data in compliance with relevant data protection legislation.

### INDEMNITY AND BREACH

30. BUYER SHALL INDEMNIFY AND HOLD HARMLESS TEXON AND ITS RELATED PARTIES FROM ANY AND ALL LOSSES, DAMAGES, EXPENSES (INCLUDING REASONABLE LEGAL FEES), COSTS, FEES, CHARGES, PENALTIES, CLAIMS, JUDGEMENTS, ACTIONS AND PROCEEDINGS INCURRED BY TEXON OR ANY OF ITS RELATED PARTIES ARISING FROM OR RELATED TO ANY OF THE FOLLOWING: (I) ANY BREACH BY BUYER OF ANY COVENANT, OBLIGATION, REPRESENTATION OR WARRANTY IN ANY ORDER, THESE T&C OR ANY OTHER AGREEMENT BETWEEN THE PARTIES, (II) ANY FRAUD, NEGLIGENCE, MISCONDUCT OR BREACH OF APPLICABLE LAWS BY BUYER OR ANY OF ITS RELATED PARTIES, OR (III) ANY CLAIM BY ANY THIRD PARTY IN RELATION TO ANY DELIVERABLE (INCLUDING END-USER AND PRODUCT LIABILITY CLAIMS).
31. IN CASE BUYER BREACHES ANY OF ITS OBLIGATIONS UNDER ANY ORDER OR THESE T&C, TEXON IS ENTITLED TO (A) SUSPEND OR TERMINATE THE RELEVANT ORDER AND ANY OTHER ORDERS (WITHOUT ANY PRIOR OR FORMAL NOTICE BEING REQUIRED), AND (B) RETAIN BUYER'S (PRE)PAYMENTS TO COVER POSSIBLE LOSS ON THE RESALE OF DELIVERABLES.

### MISCELLANEOUS

32. Buyer shall cause each of its affiliated companies, and its and their respective shareholders, directors, officers, employees, (sub)contractors, agents and any other person under its control (together, "**Related Parties**") to comply with the terms of each Order, these T&C and any other agreement between the Parties as if such Related Party itself would be a party thereto together with, or instead of, Buyer.
33. Modifications, amendments and cancellation of any Order or these T&C must be in writing (including any waiver of the written form requirement). All notices must be in English, in writing, and addressed to the other Party's primary contact. Notice can be by email and will be treated as given on receipt. Should a provision of an Order or these T&C be or become invalid or unenforceable, the validity of the remaining provisions will not be affected, and an alternate regulation that comes as close as possible to the objective aimed at by the invalid or unenforceable provision shall take the place of the invalid provision. This applies mutatis mutandis in the event of a contractual gap.
34. No Order, nor these T&C create a relationship of agency, partnership, joint venture or employment between the Parties. Neither Party will be deemed having waived any rights by not, or by the delay of, exercising any rights under an Order or these T&C. Buyer shall not assign or transfer its rights or obligations under any Order or these T&C, and any attempt to do so is void. Texon may assign or transfer any of its rights or obligations under any Order or these T&C to an affiliate.
35. Each and any Order, these T&C and any other agreement or relationship between the Parties, and any dispute or claim arising out of or in connection therewith, or its subject matter or formation (including non-contractual disputes or claims) ("**Dispute**"), shall be governed and construed in accordance with the laws of the jurisdiction of incorporation of the Texon legal entity acting as seller under the relevant Order (or in absence thereof, the Texon entity delivering Deliverables, or replying to enquiries about or discussing the actual or potential supply of Deliverables, or in absence thereof, Texon International Group Limited) ("**Texon Contracting Entity**").
36. The Parties irrevocably agree to submit any Dispute to the exclusive jurisdiction of the competent courts at the location of the Texon Contracting Entity.

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ting Entity, except that the foregoing shall not apply in case the Texon Contracting Entity is based in India, in which case the Parties irrevocable agree that (a) any Dispute shall be referred and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre ("HKIAC") under the HKIAC Administered Arbitration Rules in force when submitting the Notice of Arbitration, and (b) the law of this arbitration clause shall be Hong Kong law, the seat of arbitration shall be Hong Kong, the number of arbitrators shall be one and the arbitration proceedings shall be conducted in English.

37. The UN Convention on Contracts for the International Sale of Goods (CISG/Vienna Convention) is excluded. The place of performance of each Order shall be the place of business of the Texon Contracting Entity.