



MINISO

FRANCHISE DISCLOSURE DOCUMENT

Miniso Depot Franchisor LLC,
a California Limited Liability Company
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We are offering the opportunity to invest in a Miniso franchise store in the United States. Miniso is a retail store that sells stylish, affordable consumer products in the areas of home, beauty, electronics, fashion, stationery, and more under the MINISO brand.

The total investment necessary to begin operation of a Miniso franchise is \$310,800 - \$485,500 under our "Model A" consignment program, which includes \$253,800 - \$348,000 that must be paid to franchisor or its affiliate. Under our "Model B" purchased inventory program, the total investment necessary to begin operation of a Miniso franchise is \$250,800 - \$485,500, which includes \$193,800 - \$348,000 that must be paid to franchisor or its affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Shines Shen at 200 S. Los Robles Ave, Suite 200, Pasadena California 91101; or by telephone at (626) 463-4251; or by email at shines.s@minisousa.com.

The terms of your contract will govern your franchise relationship. Do not rely on this disclosure document alone to understand your contract. Read the entire contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "[A Consumer's Guide to Buying a Franchise](#)," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

The date of issuance of this Franchise Disclosure Document is April 20, 2021.

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit E includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Miniso business in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be a Miniso franchisee?	Item 20 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Attachment A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in California. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in California than in your own state.

Certain states may require other risks to be highlighted. Check the “State Specific Addenda” to see whether your state requires other risks to be highlighted.

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ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

This Franchise Disclosure Document describes Miniso, its business, and the franchise opportunity that is being offered. To simplify the language in this Franchise Disclosure Document, “we”, “us”, or “Miniso” means Miniso Depot Franchisor LLC, the franchisor. “You” means the person who is buying the Miniso franchise. If you are a legal entity, including a corporation, partnership, LLC or other legal entity (collectively, “legal entity”) your owners will have to guarantee your obligations and be bound by the provisions of the franchise agreement and other agreements as described in this Franchise Disclosure Document.

Us and Our Related Companies

We are a California limited liability company formed on February 15, 2018 for the purpose of offering Miniso franchises for investment in the United States, and we do business under the name “MINISO.” We do not do business under any other name. We maintain our principal business address at 200 S. Los Robles Avenue, Suite 200, in Pasadena, California 91101. Our agent for service of process is John Welsh, 444 South Flower Street, Suite 2400, Los Angeles, CA 90071. Our other agents for services of process in various states are listed on Attachment B to this Disclosure Document. We were formed for the purpose of offering and selling the Miniso franchise in the United States and servicing, supporting and administering the Miniso franchise in the United States. We do not currently engage the services of any franchise brokers and have never offered franchises in any other line of business.

Our members are USA Miniso Depot, Inc. and Miniso Depot Investment LLC. USA Miniso Depot, Inc. is a Delaware corporation with its principal business address at 200 S. Los Robles Ave, Suite 200, Pasadena California 91101. USA Miniso Depot, Inc. holds a license from its affiliate, Miniso Hong Kong Limited, to use the Miniso trademarks and to operate the Miniso retail system in the United States. USA Miniso Depot, Inc. sublicenses these trademarks to us and grants us the right to use the Miniso marks and franchise retail system for the purpose of offering a Miniso franchise in the United States to franchisees like you (See Item 13). USA Miniso Depot, Inc. has never offered franchises in any line of business.

Our other member, Miniso Depot Investment LLC, is a California limited liability company formed on August 10, 2017 with its principal place of business at 200 S. Los Robles Ave, Suite 200 in Pasadena, California 91101. Miniso Depot Investment LLC assisted in providing initial capital funding to Miniso Depot Franchisor LLC, the franchisor. Presently we do not anticipate that Miniso Depot Investment LLC will play any role in the operations of the Miniso franchise business. Miniso Depot Investment LLC has never offered franchises in any line of business.

We do not own and operate any Miniso retail stores, but our affiliate, Miniso Depot CA, Inc., indirectly owns two Miniso stores in California, which are located in Arcadia and Pasadena. Miniso Depot CA, Inc. also indirectly owns a 1% interest in two other Miniso stores in California, which are located in Temple City and Santa Barbara. Miniso Depot CA, Inc. is a California corporation with its principal business address at 200 S. Los Robles Ave, Suite 200, Pasadena California 91101. Miniso Depot CA, Inc. opened its first Miniso retail store in 2017. Miniso Depot CA, Inc. has never offered franchises in any line of business. If you open a Miniso franchise store under one of our consignment-based models, as discussed below, Miniso Depot CA, Inc. will provide to you on a consignment basis all of the Miniso branded and non-Miniso branded goods for you to sell in the operation of your franchise business.

Another affiliate of ours, Miniso Depot Financial, Inc., indirectly owns twenty-four Miniso retail stores in California, which are located in Temple City, Bakersfield, Riverside, West Covina, Hollywood, Cerritos, Mission Viejo, San Francisco (Stonestown), Torrance, Alhambra, Culver City, El Cajon, Escondido, Fairfield, National City, Newport, Palm Desert, Salinas, Sherman Oaks, Valencia, Topanga, Mission Viejo, University Center (Irvine) and Beverly Hills Los Angeles. Miniso Depot Financial, Inc. also indirectly owns one Miniso retail store in Washington, which is located in Alderwood. Miniso Depot Financial, Inc. has never offered franchises in any line of business.

Another affiliate, Miniso Depot Management Service LLC, is a California limited liability company with its principal business address at 200 S. Los Robles Ave, Suite 200, Pasadena California 91101. Miniso Depot Management Service LLC currently provides various management services for certain franchisees, but will not have a role in the management or operation of your franchise. Miniso Depot Management Service LLC does not own any Miniso retail stores and has never offered franchises in any line of business.

We provide various services to our franchisees, as described in this Franchise Disclosure Document. We may delegate the performance of such services to our affiliates, including Miniso Depot CA, Inc. and Miniso Depot Management Service LLC (See Items 6, 8 and 10). Other than Miniso Depot CA, Inc. and Miniso Depot Management Service LLC, we have no other affiliates that will provide products or services to you.

We also have foreign affiliates that offer Miniso franchises in other countries outside of the United States. Starting in 2013, Miniso Corporation began offering Miniso franchises in China. As of December 31, 2020, 2,763 Miniso franchises have been sold in China. Starting in 2018, Miniso/Ukraine began offering franchises in Ukraine. To date, 14 Miniso franchises have been sold in Ukraine. Starting in 2017, Miniso Lifestyle Private Limited began offering franchises in India. To date, 124 Miniso franchises have been sold in India. Starting in 2019, Miniso/Canada began offering franchises in Canada. To date, 7 Miniso franchises have been sold in Canada. We have not been involved in the ownership or operation of those stores, nor has any of our members or affiliates in the United States.

The Miniso Franchise Opportunity

The founder and CEO of MINISO Ye Guofu accumulated a mastery in trendy fashion during the period of China's economic transformation and seized the opportunity to improve quality consumption patterns, bringing a brand new business model to China. Ye Guofu challenges the claims of "the higher the price, the better the quality", noting that this is only an excuse for businesses to sell overpriced products to consumers. The "low price, bad quality" products results from a model of sole profiteering. Mr. Ye developed a simple solution: high quality, low prices. These are the principles of MINISO.

Since the launch of the MINISO brand in 2013, more than 4,200 stores under the MINISO brand have opened worldwide. We have not been involved in the ownership or operation of any Miniso stores outside of the United States, nor has any of our members or affiliates located in the United States.

As described in this Franchise Disclosure Document, Miniso offers franchisees in the United States the opportunity to develop, own, and operate a Miniso brick and mortar retail store that offers and sells household consumer products, clothing, and accessories under the MINISO brand to the public (the "**System**"). We offer two different franchise models:

Model A. "Model A" is a consignment-based model in which you will be provided with all of the Miniso-branded and non-branded products on a consignment basis. You will be solely responsible for managing and operating your store. Under "Model A," prior to the opening of your store you will be

required to enter into a consignment agreement with Miniso Depot CA, Inc. in the form attached to this Disclosure Document as Exhibit B. You also will be required to provide Miniso Depot CA, Inc. with an up-front refundable merchandise deposit and to pay a material and equipment fee before you begin operations as described in Item 5 of this Disclosure Document. After you open your franchise store and begin selling Miniso products to the public, you and Miniso Depot CA, Inc. will split the gross revenue from such sales and you will pay us a royalty fee, as described in Item 6 of this Disclosure Document.

Model B. “Model B” is our purchased-inventory model, in which you will purchase all of the Miniso-branded and non-branded products that will be sold in your store. Under “Model B,” goods will not be provided to you on a consignment basis; you will purchase them instead. Prior to the opening of your store, you will be required to enter into a supply agreement with Miniso Depot CA, Inc. in the form attached to this Disclosure Document as Exhibit C. You also will be required to pay a material and equipment fee to Miniso Depot CA, Inc. before you begin operations as described in Item 5 of this Disclosure Document. After you open your franchise store and begin selling Miniso products to the public, you will pay us a royalty fee, as described in Item 6 of this Disclosure Document.

Market and Regulations

While a market exists for the MINISO brand in certain other countries outside of the United States, it remains unclear whether a viable market for MINISO branded and non-branded products exists in the United States. As noted, neither we nor our affiliates have been involved in the ownership or operation of Miniso stores outside of the United States, and the market for Miniso stores in the U.S. is still developing. Because you have only limited territorial rights (See Item 12), you may compete for clients with other Miniso franchise stores operating outside, near, or in your Territory, or from other company-owned stores. You may also have to compete with other national and local retail businesses offering similar household and consumer products, accessories, clothing, and services. There are no guarantees of your success, and you will face both typical and special business risk factors, including: changing market conditions; competition; changes in consumer tastes; local, regional, or national economic conditions; availability of financing; recession or depression locally, nationally, or internationally; wars; strikes; emergencies; natural and manmade disasters; litigation; and liability and casualty losses. Additionally, we just began offering franchises for sale approximately three years ago, we are not experienced as a franchisor company, and we anticipate changes and an evolving franchise system.

You will be subject to all of the laws, codes and regulations normally applicable to retail businesses, which may include federal, state, and local laws regarding matters such as wages and hours, occupational health and safety, equal employment opportunity, and the Americans with Disabilities Act. In light of COVID-19, you may also be subject to federal, state, and/or local government orders to shut-down or otherwise limit public and/or employee access to your business.

You should research these requirements before you invest in a Miniso franchise. You are solely responsible, at your own expense, for compliance with the federal, state, local, and any other laws that apply to your franchise.

ITEM 2

BUSINESS EXPERIENCE

Andrew Xie: General Manager of North America

Andrew Xie is Miniso's General Manager of North America. Mr. Xie joined Miniso (Hengqin) Business Management Co., Ltd. in June 2017 and served as Country General Manager of Bangladesh from October 2017 to March 2018, Country Manager of Russia from March 2018 to October 2018, and Country General Manager of Canada from October 2018 to December 2018. From December 2018 to the present he has been General Manager of Canada for Miniso Lifestyle Canada Inc., and acts as the General Manager of North America. Before joining the Miniso group of companies, Mr. Xie was the Executive Director of Maysun Enterprise Ltd. in Moscow, Russia from July 2013 to May 2017.

ITEM 3

LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

Your franchise will be for a 5-year term. You must pay us an initial franchise fee (the "**Initial Fee**") of \$20,000 at the time you sign the Franchise Agreement. The Initial Fee is fully earned when paid and is not refundable, except that if you have not selected an acceptable location for your franchise store within 4 months after you sign the franchise agreement, we can elect to return the Initial Fee to you, less any amounts that we incurred for travel and lodging to visit proposed sites for your franchise store, and so long as you sign an acceptable mutual termination agreement and release. There are no refunds under any other circumstances.

Upon signing of the Franchise Agreement, you will be required to pay to us a security deposit of \$20,000 (the "**Security Deposit**"). The Security Deposit will be returned to you without interest no later than ninety (90) days after the term of your franchise ends so long as you are not then in breach or violation of the terms of the Franchise Agreement or any other contract entered into with us or our affiliates. In the event that the Franchise Agreement is terminated prior to the expiration of the franchise term, the Security Deposit is not required to be returned until ninety (90) days after the expiration of the term. We reserve the right to use the Security Deposit to offset payments or amounts owed by you either to us, Miniso Depot CA, Inc., or any of our other affiliates.

If you open a store under Model A, you must pay our affiliate, Miniso Depot CA, Inc., a refundable fixed merchandise deposit of \$150,000 for stores that are 4,000 square feet or less in size, and \$200,000 for stores over 4,000 square feet (the “**Merchandise Deposit**”), as provided in the consignment agreement you must sign with them. Fifty percent (50%) of the Merchandise Deposit is due within 10 business days of signing the Franchise Agreement. The remaining fifty percent (50%) is due within 10 business days after you sign your lease for your franchise store. The Merchandise Deposit will be returned to you without interest no later than ninety (90) days after the term of your franchise ends so long as you are not then in breach or violation of the terms of the Franchise Agreement or any other contract entered into with us or our affiliates. In the event that the Franchise Agreement is terminated prior to the expiration of the franchise term, the Merchandise Deposit is not required to be returned until ninety (90) days after the expiration of the term. We reserve the right to use the Merchandise Deposit to offset payments or amounts owed by you either to us, Miniso Depot CA, Inc., or any of our other affiliates.

Under Model B, no Merchandise Deposit is required. However, you will need to purchase inventory from our affiliate, Miniso Depot CA, Inc., prior to opening as provided in the supply agreement you must sign with them. The amount of inventory needed will depend on the size of your store. Based on our and our affiliates’ experience, we estimate that the amount of initial inventory you will need to fill your store will cost approximately \$50.00 per square foot (\$90,000 - \$200,000 total, depending on the size of your store). This is an estimate only; actual fees will vary.

Under both Models A and B, within 10 business days of signing your lease for your franchise store, you will be required to pay to our affiliate, Miniso Depot CA, Inc., a “**Material & Equipment Fee**” so that you have all of the furniture, signage, shelving, computer systems, and sales accessories necessary to operate your business, as provided in the consignment agreement or supply agreement, as applicable. The amount of the Material & Equipment Fee will vary depending on a number of factors, including the geographic location of your store, the size of your store, and the economic climate for the materials and equipment items that you will need to purchase to open your store. You will be responsible for purchasing the materials and equipment from our affiliate, Miniso Depot CA, Inc., at their cost. Based on our and our affiliates’ experience, we estimate that the Material & Equipment Fee may cost approximately \$20.00 - \$30.00 per square foot (\$60,000-\$90,000 total, depending on the size of your store). This is an estimate only; actual fees will vary. If you desire to purchase any material or equipment locally, you must submit a prior written application to us for approval, as provided in the franchise agreement.

The Material & Equipment Fee will cover the following items for your franchise store: delivery cost of all items purchased under Material & Equipment Fee, all necessary office equipment and supplies; all initial janitorial and cleaning supplies; all store fixtures, including display racks, product display baskets, and boxes; spectacle display furniture; tableware furniture; shelving; U Pillow barrel; nail polish displays; makeup cotton baskets; jewelry display furniture; promotional materials; interior and exterior signage; cosmetic table; refrigerator; cashier desk and cabinets; promotional display boxes; shopping baskets; wooden product display boards; uniforms for staff; vertical advertising LED panels; lighting boxes; and all other furniture needed to display Miniso products. Also included in the Material & Equipment Fee is the cost of purchasing the point of sale (POS) Computer System for your store, which includes all store computers, Miniso’s retail point of sale (POS) system, and all other operating systems and databases necessary to operate the franchise. The cost to purchase and install a telephone line, as well as the ongoing cost to maintain telephone service and high speed internet access, which is required for all franchise stores, is not included in the Material & Equipment Fee. Also excluded are costs for shopping bags provided to customers who purchase items at your store, and costs for store cameras which you are required to purchase from a Miniso-authorized vendor.

We also have the right to reject or decline a proposed location for your franchise store. If we need to travel to visit your store in person, you will be responsible for reimbursing us for our travel, lodging and other incidental costs (e.g., meals) associated with the trip. We are based in Pasadena, California. Accordingly, proposed store locations outside of the southern California area will require us to make flight and, potentially, hotel arrangements. Based on our affiliates' experience, an estimate of potential travel, lodging, and other incidental expenses (e.g., meals) is between \$300 to \$3,000. Actual fees will vary depending on a number of factors, including the number of stores proposed for our consideration (and thus the number of trips required to visit proposed locations), the geographic location of each proposed store, and other market-related factors that may impact the costs associated with traveling to proposed store locations during the store-selection process. Our consideration, review, and ultimate decision regarding your proposed store location does not constitute a guarantee of success or financial performance at that location.

Finally, in connection with the initial opening of your store you must purchase a “**Grand Opening Kit**” from us. The fee for the Grand Opening kit typically ranges from between \$3,500 to \$15,000, depending on the types of grand opening items and/or services that you select as part of your Grand Opening Kit. Mandatory items that you must purchase as part of the Grand Opening Kit include balloons; materials for a ribbon cutting ceremony; traditional and digital advertising and media press services, including posts and/or advertisements on social media platforms (e.g., Instagram and Facebook), flyers passed around the store location, and targeted media press in certain Asian publications and/or websites; and goodie bags (i.e. “swag bags”) to pass out to customers who visit the store on grand opening day, which vary for each grand opening and will include items such as charger cables, snacks, drinks, and other small Miniso products. Additional items and services offered for sale as part of the Grand Opening Kit include the following: billboard signage; a media backdrop for customers to take photos in front of attractive MINISO signage on grand opening day; a Taiko drum performance by local performers (approximately 15 minutes in length) to be scheduled on grand opening day; a DJ to perform for 2-3 hours on the grand opening day; a photographer and/or videographer available for 2-3 hours on grand opening day; live entertainers and performers, such as magicians, balloon twisters, or dancers; a grassroots campaign designed to send promotional information to residences in the area surrounding the store; and a photo booth for use on grand opening day for approximately 2-3 hours. Additional items and services may be added in our sole discretion. Certain items and services may not be available in your area, or they may be removed from the Grand Opening Kit in our sole discretion. Purchase of the Grand Opening Kit for your store location does not constitute a guarantee of success or financial performance. Actual costs for the items and services offered in the Grand Opening Kit may vary depending on a number of factors, including the geographic location of your store, the type and quantity of the items and services you select, the size of your store, the availability of potential grand opening options in your area, and more. Please allow sufficient time (typically 4 weeks) prior to your store opening to order items from the Grand Opening Kit. The grand opening should typically occur on the date your store first opens for business, but must occur in any event no later than 2 weeks after your store opens for business.

ITEM 6

OTHER FEES

The following is a detailed description of other recurring or isolated fees or payments that you must pay to us or that we impose or collect for a third party. All payments are non-refundable.

Column 1 Type of Fee ⁽¹⁾	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Renovations and leasehold improvements to build out franchise store ⁽²⁾	Costs will vary per store.	In connection with store construction and renovation; due immediately upon receipt of invoice. Payable to third party contractor.	The total amount of the renovation fees depends on a number of factors, including the size of the store you select, the contractor you choose, and the geographic location of your store.
Training Fees ⁽³⁾	Approximately \$1,000 – \$7,500 (<i>estimate only</i>), plus travel and lodging costs	Immediately upon receipt of invoice.	We offer a mandatory training for store managers, a mandatory 1-day training for franchisee owners, and a mandatory 3-day pre-opening training. Additional trainings for other employees will occur with support by us and/or our affiliates.
Royalty Fees ⁽⁴⁾	Model A: 2% of gross revenues; Model B: 1% of gross revenues; Both Models: 10% of gross revenues on sales of Franchisee-sourced local purchase products sold in your store	Due on a weekly basis.	
Consignment Revenue Payments ⁽⁵⁾	50% of gross revenue from sales of general merchandise products sold in your store and 70% of gross revenue from sales of Miniso-sourced local purchase products sold in your store.	Due on a weekly basis.	To be paid to Miniso Depot CA, Inc. This fee applies to Model A franchises only.
Annual Fee ⁽⁶⁾	\$10,000 per year, beginning at the start of the 3rd year of your franchise (\$30,000 total)	Due on each of the 3rd, 4th, and 5th year anniversary of the date when you signed the Franchise Agreement	
Marketing fund fees	Not to exceed 2% of gross revenues	As incurred.	Due only if we establish a marketing fund. See Item 11.

Column 1 Type of Fee⁽¹⁾	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Local Marketing Cooperative	Not to exceed 3% of gross revenues	As incurred.	Due only if we establish a local advertising cooperative covering your Territory. See Item 11.
Transfer Fee	\$10,000	On or before the transfer is completed.	Due only if franchisee transfers the franchise to an approved third party.
Renewal Franchise Fee ⁽⁷⁾	50% of the franchise fee in effect at the time of your renewal	No later than the expiration of the Term.	Must be in full compliance with all items in Note 6, below.
Interest on Delinquent Payments	Interest at 2% per month or the highest commercial contract interest rate the law allows, whichever is higher, on late payments for all amounts due to us, unless otherwise agreed in a separate written agreement	As incurred.	To us or our affiliates, as applicable.
Shipping and handling costs for delivery of Products ⁽⁸⁾	Varies by store location	Immediately upon receipt of invoice	To be paid to Miniso Depot CA, Inc.
Customer shopping bags ⁽⁹⁾	Cost of each shopping bag	Immediately upon receipt of invoice	To be paid to Miniso Depot CA, Inc.
Enforcement costs	Varies	On demand	The prevailing party in a legal action may recover attorneys' fees and court costs. If we seek and secure an injunction or specific performance for your violation of the Franchise Agreement, you must pay our costs. You may also be required to pay a fine if you fail to comply with your obligations under the Franchise Agreement.

Column 1 Type of Fee⁽¹⁾	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Indemnification	Actual cost to us or to one of our affiliates	Immediately upon receipt of invoice	You must reimburse us and our affiliates if we or they are held liable for claims arising from the operation of your Franchise, or your breach of the Franchise Agreement.

Explanatory Notes

(1) Unless otherwise noted, all fees are imposed and collected by and payable to us or one of our affiliates. All fees are non-refundable.

(2) You are responsible for the fees and costs associated with all store construction and renovation, as well as compliance with all local ordinances, building codes, and permit obligations. You will also be responsible for choosing and hiring your designer, architect and contractor to design, renovate, remodel and/or construct your store pursuant to the plans and store design reviewed and approved by Miniso. Costs for store renovations and leasehold improvements will vary depending on a number of factors, including the size of the store you select; the condition of the store prior to renovation; the contractor(s) you select to perform the renovations; your agreement (if any) with the landlord regarding responsibilities for leasehold improvements; the extent of the renovations required to meet Miniso’s design standards; local ordinances and building permit obligations; and the city, state, and specific location of your store. You are responsible for choosing and hiring your own licensed designer, architect, general contractor, and any other professionals that may be necessary to build out your Miniso store.

(3) We require that your store manager attend a mandatory training program, which consists of up to 30 days of on-the-job and classroom trainings in southern California. There is no fee for the training, but you are responsible for all incidental costs that the store manager, and/or our personnel, may incur in connection with the training program, such as lodging, transportation, and other related expenses. We also offer a 1-day optional training for you or your Designated Owner. You are responsible for any travel or lodging expenses associated with the training.

(4) Beginning with the calendar month in which your store opens and continuing throughout the term of your franchise, you will be responsible for paying a royalty fee to us. Under Model A, the royalty fee is 2% of your gross revenues in the immediately preceding royalty period. Under Model B, the royalty fee is 1% of your gross revenue in the immediately preceding royalty period. Under both Models A and B, you must pay us a royalty fee of 10% on any Franchisee-sourced local purchase goods sold in your store, which consist of any goods that are not MINISO-branded, such as food and beverage goods, souvenir items, and other locally-sourced goods that you identify and wish to sell in your store after obtaining our approval. The current royalty period is a calendar week, beginning each Monday and running through each Sunday; however, we have the right to change the time period covered by a royalty period upon written notice to you. If we change the time of the royalty period, any amounts that are paid based upon, or calculated in relation to, a royalty period will be adjusted on a pro rata basis. You must pay the royalty fee to us by no later than the close of business on the third day after each royalty period (*i.e.*, by Wednesday of each week). At the time you submit your royalty fee, you also must provide us with a gross revenues report for that royalty period.

(5) Under Model A only, Miniso Depot CA, Inc. will provide to you on a consignment basis all of the Miniso branded and non-Miniso branded goods for you to sell in the operation of your franchise business. Prior to the opening of your store, you will be required to enter into a consignment agreement with Miniso Depot CA, Inc. After you open your franchise store and begin selling Miniso products to the public, you and Miniso Depot CA, Inc. will split the gross revenue sales at your store. You will be responsible for payment of the amount specified in Miniso Depot CA, Inc.'s current price list for any products delivered to your store, less a commission of 50% on all general merchandise goods, which consist primarily of MINISO-branded goods; and less a commission of 30% on Miniso-sourced local purchase goods, which consist of any goods that are not MINISO-branded and that Miniso sources, such as food and beverage products. Accordingly, Miniso Depot CA, Inc. will be entitled to 50% of the gross revenue from any general merchandise products sold and 70% of the gross revenue from any Miniso-sourced local purchase products sold. This 50/50 split applicable to general merchandise products and 70/30 split applicable to Miniso-sourced local purchase products applies to the sale of all products in your store, including promotional items. You will not need to make commission payments to Miniso Depot CA, Inc. for any of the Miniso products provided to you on a consignment basis until after the products are actually sold to the public. The revenue payments to Miniso Depot CA, Inc. will be due and paid on a weekly basis. You must at all times maintain a sufficient supply or inventory for the optimal operation of your store, as specified by the Operations Manual or as otherwise provided by us. If timely returned products are defective or cannot otherwise be re-sold at your store, Miniso Depot CA, Inc. will cover the shipping and freight costs for you to return the products to Miniso Depot CA, Inc.

(6) On each of the 3rd, 4th, and 5th year anniversary of the date when you signed the Franchise Agreement, you will be required to pay us a \$10,000 fee (*i.e.*, a total of \$30,000 during the initial five-year term of your franchise). Accordingly, with the \$20,000 Initial Fee, the total franchise fee during the term of the franchise is \$50,000. The annual fees are fully earned when paid and are not refundable.

(7) We allow franchisees to renew a franchise for one additional five year term by paying 50% of the total franchise fee in effect at the time of the renewal, and so long as you meet the following requirements: (i) you are in full compliance with the franchise agreement and any other agreement(s) with our affiliates, such as the supply agreement or consignment agreement; (ii) by the expiration of your initial franchise term, you have brought your store and any store equipment up to Miniso's specifications and standards then in effect; (iii) you have the right to remain in possession of the store through the end of the renewal term; (iv) you have complied with any of our training requirements; (v) you provided written notice to us of your desire to renew at least 180 days, but not more than 365 days, before the expiration of your initial term; (vi) you have paid all amounts due to us and our affiliates; (vii) you have signed a general release in favor of us and our affiliates; (viii) you have paid the renewal fee of 50% of the franchise fee then in effect; and (ix) you have signed our then-current form of franchise agreement and any other related addenda and/or other contractual agreements with our affiliates then in effect for franchisees.

(8) As part of the consignment agreement and supply agreement, you are responsible for shipping and handling costs for all MINISO branded and non-branded products delivered by Miniso Depot CA, Inc. to your franchise store. This amount will vary depending on a number of factors, including the location of your store, the proximity of a Miniso Depot CA, Inc. distribution center to your store, and the rates charged by third-party shipping and delivery companies. If payment to shipping and handling vendor(s) is over thirty (30) days past due, Miniso Depot CA, Inc. may stop shipment of new products to you until the vendor(s) receive payment.

(9) As part of the consignment agreement and supply agreement, you must pay Miniso Depot CA, Inc. for the cost of each customer shopping bag. The shopping bags will be provided to you by

Miniso Depot CA, Inc. in accordance with the terms of the consignment agreement and supply agreement, as applicable.

ITEM 7

YOUR ESTIMATED INITIAL INVESTMENT

The following is our best estimate of your initial investment to open a Miniso franchise. The estimate presented covers the period before the opening of your franchise and for the initial phase of your franchise estimated to be 3 months. Some expenditures will apply only to Model A or Model B, depending on which type of store you open. Our estimates do not provide for your cash requirements to cover any operating losses. You must have additional sums available, whether in cash or through unsecured credit lines, or have other assets that you can liquidate, or that you can borrow against, to cover any operating losses. We urge you to retain the services of an experienced accountant or financial advisor in order to develop a business plan and financial projections for your franchise. Your actual investment will vary depending upon local conditions peculiar to your geographic area or market.

The following chart contains a summary of your initial investment through the first three months of operation. Unless otherwise indicated, payments are generally not refundable.

Column 1 Expenditure	Column 2 Amount	Column 3 When Due	Column 4 Payment Method	Column 5 To Whom Paid
Initial Franchise Fee ⁽¹⁾	\$20,000	Upon signing Franchise Agreement	Wire transfer or check.	Us
Merchandise Deposit (Model A only) ⁽²⁾	\$150,000 if store is 4,000 sq/ft or less; \$200,000 if store is larger than 4,000 sq/ft	50% due within 10 business days of signing Franchise Agreement; 50% due within 10 business days of signing lease for franchise store	Wire transfer or check.	Miniso Depot CA, Inc.
Initial inventory purchase (Model B only) ⁽³⁾	\$90,000 - \$200,000 <i>(estimate only – varies depending on size of store you select)</i>	Prior to store opening	Wire transfer or check.	Miniso Depot CA, Inc.
Security deposit	\$20,000	Upon signing Franchise Agreement	Wire transfer or check.	Us
Fees for traveling to review proposed site locations ⁽⁴⁾	\$300 – \$3,000	As Incurred	As Agreed	Us
Training Expenses - Operations ⁽⁵⁾	\$1,000 – \$7,500	As Incurred	As Agreed	Us

Column 1 Expenditure	Column 2 Amount	Column 3 When Due	Column 4 Payment Method	Column 5 To Whom Paid
Training - travel and lodging costs	Varies based on location	As Incurred	As Agreed	Us
Material & Equipment Fee (computers included) ⁽⁶⁾	\$60,000 - \$90,000 <i>(estimate only – varies depending on size of store you select, location of store, and other factors)</i>	Due 10 days after lease execution	Wire transfer or check.	Miniso Depot CA, Inc.
Renovations and leasehold improvements to build out franchise store ⁽⁷⁾	Varies depending on size of store you select, condition of store, and other factors	As Incurred	As Agreed	Third Parties
Grand Opening fee ⁽⁸⁾	\$3,500 – \$15,000	Prior to store opening	Wire transfer or check	Us
Payroll – 3 Months ⁽⁹⁾	\$45,000 - \$105,000 <i>(estimate only)</i>	Payroll expenses are paid on a bi-weekly basis (every other Friday)	Direct deposit or check	Your employees
Consignment payments for Products sold – 3 Months, Model A only ⁽¹⁰⁾	50% of gross revenue for general merchandise products sold and 70% of gross revenue for Miniso-sourced local products sold	Due on a weekly basis	Wire transfer or check	Miniso Depot CA, Inc.
Local Marketing – 3 Months ⁽¹¹⁾	\$1,000 - \$5,000	As Incurred	As Agreed	Third Parties
Rent & Utilities – 3 Months ⁽¹²⁾	Varies by location; see Note 12	As Incurred	As Agreed	Third Parties
Insurance ⁽¹³⁾	Note 13	As Arranged, but must be in place and effective before lease term commencement	Varies	Broker or Insurance Company
Business Licenses & City Permits ⁽¹⁴⁾	Varies by location; see Note 14	Payable to appropriate government authority.	As incurred.	State and Local agencies
Additional Funds ⁽¹⁵⁾ – 3 Months	\$10,000 - \$20,000	As Incurred	As Agreed	Us or Third Parties

Column 1 Expenditure	Column 2 Amount	Column 3 When Due	Column 4 Payment Method	Column 5 To Whom Paid
TOTAL ESTIMATED INITIAL INVESTMENT ⁽¹⁶⁾	Model A: \$310,800 - \$485,500 Model B: \$250,800 - \$485,500 (totals do not include renovation and leasehold improvements, real estate / leasing costs & utilities, the business license and city permits, royalties, the consignment payments on Product sales under Model A, or shipping costs)			

Explanatory Notes.

(1) Initial Fee. The Initial Fee of \$20,000 is fully earned when paid and is not refundable, except that if you have not selected an acceptable location for your franchise store within 4 months after you sign the franchise agreement, we can elect to return the Initial Fee to you, less any amounts that we incurred for travel and lodging to visit proposed sites for your franchise store, and so long as you sign an acceptable mutual termination agreement and release. There are no refunds under any other circumstances. We do not finance any fee.

(2) Merchandise Deposit. This deposit applies to Model A only. The Merchandise Deposit is a refundable deposit paid to our affiliate, Miniso Depot CA, Inc., which will be providing Miniso branded and non-branded products for you to sell in your franchise store. As noted above, the Merchandise Deposit is fixed at \$150,000 for stores that are 4,000 square feet or less in size, and \$200,000 for stores over 4,000 square feet. Fifty percent (50%) of the Merchandise Deposit is due within 10 business days of signing your franchise agreement. The remaining fifty percent (50%) is due within 10 business days after you sign your lease for your franchise store. The Merchandise Deposit will be returned to you without interest no later than ninety (90) days after the term of your franchise ends so long as you are not then in breach or violation of the terms of the Franchise Agreement or any other contract entered into with us or our affiliates.

(3) Inventory Purchase. This expenditure applies to Model B only. Before opening your store, you will need to purchase inventory from our affiliate, Miniso Depot CA, Inc. prior to opening as provided in the supply agreement you must sign with them. The amount of inventory needed will depend on the size of your store. Based on our and our affiliates' experience, we estimate that the amount of initial inventory you will need to fill your store will cost approximately \$50.00 per square foot. This is an estimate only; actual fees will vary.

(4) Fees for traveling to review and consider proposed site locations. We have the right to reject or decline your Miniso store location before you sign a lease and open your store for business. If we need to travel to visit your store in person, you will be responsible for reimbursing us for our travel,

lodging and other incidental costs (e.g., meals) associated with the trip. We are based in Pasadena, California. Accordingly, stores outside of the southern California area will require us to make flight and, potentially, hotel arrangements. We estimate these expenses at between \$300 (for a local store) and \$3,000 (for stores around the country). Our consideration, review, and ultimate decision regarding your proposed store location does not constitute a guarantee of success or financial performance at that location.

(5) Training Expenses. The Designated Owner and Store Manager must attend a 1-day orientation training for the purposes of obtaining details and insight on the operations of your store. There is no fee for the training offered, other than the actual cost, if applicable, for the training service provider(s) to travel to your store for training. Your store manager will be required to attend a mandatory on-the-job and classroom training program, which will also have no fee except for training expenses, consisting of travel, lodging, and other incidental costs that may be required (e.g., meals) for your store manager to travel to southern California to attend our mandatory training program, or for personnel to be sent to your location (subject to our approval for such arrangement). We also offer optional post-opening training, for which a fee is charged of \$500 per day per training personnel. We recommend having 3 trainers for 5 days. We estimate these expenses at between \$1,000 – \$7,500. This is an estimate only; actual costs will vary.

(6) Material & Equipment Fee. The materials and equipment included in your Material & Equipment Fee are described in detail in Item 5 of this Disclosure Document. As noted above, Material & Equipment Fees will vary depending on a number of factors, including the geographic location of your store, the size of your store, and the economic climate for the materials and equipment items that you will need to purchase to open your store. You will be responsible for purchasing the materials and equipment from our affiliate, Miniso Depot CA, Inc., at their cost. Based on our and our affiliates' experience, we estimate that the Material & Equipment Fee may be approximately \$20.00 - \$30.00 per square foot. This is an estimate only; actual fees will vary. Based on our and our affiliates' experience, the Material & Equipment Fee typically ranges from \$60,000 – \$90,000. Your Material & Equipment Fee will be higher if you own or lease a larger store. These figures are estimates only and we cannot guarantee that you will not have additional material expenses starting the business.

(7) Renovation and leasehold improvement fees. Costs for store renovations and leasehold improvements will vary depending on a number of factors, including the size of the store you select; the condition of the store prior to renovation; the contractor(s) you select to perform the renovations; your agreement (if any) with the landlord regarding responsibilities for leasehold improvements; the extent of the renovations required to meet Miniso's design standards; local ordinances and building permit obligations; and the city, state, and specific location of your store. We cannot guarantee that you will not have additional renovation expenses starting the business.

(8) Grand Opening fees. Our grand opening kit can be purchased for a fee ranging between \$3,500 to \$15,000, depending on the type of grand opening items and/or services that you select as part of your Grand Opening Kit. The items and services offered in the Grand Opening Kit are described in Item 5 of this Disclosure Document and are subject to change. Please allow sufficient time prior to your store opening to order the Grand Opening Kit.

(9) Payroll. You will be responsible for all employee payroll, including payment of applicable wages and social security taxes, withholding of earnings for social security, federal income taxes, state income taxes and any other withholdings mandated by federal, state or local laws. You also are responsible for ensuring that your store is covered by workers' compensation insurance and such other insurance as is now or hereafter required by law. Payroll for Miniso franchise stores is made on a bi-weekly basis (*i.e.*, every other Friday). We estimate that you will need between 6-8 part time employees

(or 3 full-time employees) for your store. Based on our affiliates' experience with the southern California market, payroll costs are likely to range between \$15,000 - \$35,000 per month. Payroll costs will vary by city and state, and will also depend on the size of the store that you select, the experience level of your employees, the extent of employee turnover, and other factors.

(10) Consignment payments. Consignment payments apply to Model A only. Your sales will depend on numerous factors, including local economic conditions, management skill and acumen, employee productivity, the local market for our product, the size and location of your store, competition, and the sales level reached during the initial period. In addition to the gross revenue sharing with our affiliate for the sale of products in your store, you will be responsible for paying the following: property taxes for the inventory in the store; sales and use taxes on sales to consumers; storage and warehousing expenses, if any; and product liability insurance.

(11) 3 Month's Local Marketing. You are not required to spend any amount on local advertising or local marketing directly; however, we expect that many of our franchisees will likely engage in some form of initial, local advertising or marketing. This item includes an estimated range of initial, local marketing. The amount of these expenses varies with the geographic, demographic and physical location of your store as well as the advertising or marketing mediums utilized.

(12) 3 Month's Rent & Utilities. If you do not own adequate retail space, you must purchase or lease space for your store. The cost of purchasing or leasing retail space will vary significantly, depending on the location, local market conditions, changes in the economy and the condition of the premises. Our management has compiled an estimate of rents that are typical in the southern California area for an approximately 3,000 square foot retail store. On that basis, southern California rent is estimated to be between \$12,000 - \$48,000 per month depending on such factors such as size, condition, and location of the leased premises. We note that you also may be required to pay your landlord a security deposit for a leased store, although that security deposit is typically refundable if you comply with the lease. Possible locations for franchise stores include, but are not limited to, shopping malls, store plazas, and street stores. Typical Miniso consumers range between 18-45 years of age. You will also be responsible for paying all utilities associated with your store, including water, trash, recycling, gas, and electricity.

(13) Insurance. You will need to obtain and maintain insurance in connection with the operation of your business. Insurance costs will vary. You will need to obtain and maintain insurance regarding the following: EPLI (employment practices liability insurance), worker's compensation insurance; "all risk" property insurance coverage for the replacement value of the assets of your business and business interruption insurance; insurance coverage for contractual indemnity; commercial general liability coverage in amounts not less \$1,000,000 per occurrence and \$3,000,000 aggregate; product liability insurance; and automobile liability insurance with limits of at least \$1,000,000 per occurrence of bodily injury and property damage combined. All required policies must name us and our affiliates as additional insureds. Any contractor hired by you to work in or around the store must also maintain workers' compensation insurance as required by State law, comprehensive automobile liability insurance, and commercial general liability insurance coverage with amounts in compliance with your lease agreement, typically not less than \$1,000,000 per occurrence. Your insurance must be in place and effective before any store opening. If you elect to hire a vendor for shipping and handling of Miniso products that we or our affiliates do not have a contract with, you must furnish to us evidence of insurance sufficient to cover such merchandise shipments and add Miniso Depot CA, Inc. as an additional insured.

(14) Business Licenses & City Permits. City and permitting fees will vary according to numerous factors, including city, county and state fees; state licensing requirements; and store size and location.

(15) 3 Month's Additional Funds. This item estimates your initial start up expenses (other than the items identified separately in the table). These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. Your costs depend on numerous factors, including the city and state in which you open your store; your expertise and business acumen; local economic conditions; the local market for your services; the size and location of your store; the prevailing wage rate; competition; and the sales level reached during the initial period.

(16) Total Estimated Initial Investment. We relied on our management's years of experience to compile these estimates. You must review these figures carefully with a business advisor before making any decisions to purchase a Miniso franchise. In our total estimate we did not include any fees or costs for necessary renovations and leasehold improvements, utilities, real estate, leasing, or consignment revenue payments. We do not offer financing directly for any part of the initial investment. The estimate does not include any finance charge, interest, taxes, debt service obligations, or franchisee owner draws. Except as set forth above, no amounts in the table are refundable.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

System Standards

You must operate and maintain your franchise store according to all System Standards (as that term is defined in your Franchise Agreement), as we periodically modify and supplement them. It is important for the System to be flexible to respond to commercial opportunities and challenges. You agree to comply with mandatory provisions of any Manual, the System and System Standards as they are changed and understand that such changes may require additional investments.

Your franchise store must be operated in compliance with any mandatory Miniso procedures, policies, methods and requirements that we establish and publish in any Manual or otherwise to promote System Standards, to protect or maintain the goodwill associated with the Marks, to meet competition and/or otherwise as we consider appropriate. We may delegate responsibility to comply with our procedures, policies and standards to our affiliates. Requirements for compliance with the System may be separately established by our affiliates within the parameters of their agreements with you.

We have the unrestricted right to change, eliminate or modify any elements of the System, any Manual or the Marks. You have responsibility for implementing and maintaining System Standards. System Standards may involve requirements relating to Product preparation, storage, handling, packaging, display, and storage; signage; use and display of the Marks; hours of operation; required participation in research, surveys, campaigns, conventions and promotions; payment systems and check verification services; bookkeeping and accounting systems; and other aspects of the Store and its operations that we determine to be beneficial to the System or the establishment and preservation of good will and image associated with the Marks.

Products That You Must Acquire for the Operation of Your Franchise Business

Our affiliate, Miniso Depot CA, Inc., is the sole and exclusive supplier of Miniso branded and non-branded Products to be sold in your franchise store. Under our Model A program, the Products will be provided to you on a consignment basis in accordance with the terms of the consignment agreement attached as Exhibit B. You will not be responsible for paying Miniso Depot CA, Inc. any amounts for the

Products until such time as you sell the Products. Following the sale of any Products, you must pay Miniso Depot CA, Inc. the amount due on a weekly basis, plus a royalty fee to us. Refer to Items 5 and 6 of this Disclosure Document for further details regarding the consignment arrangement with Miniso Depot CA, Inc. and royalty fee owed to us.

Once the Products have been delivered to you, you must keep the Products at your authorized store location and/or at a warehouse or other store facility that you maintain or contract to use to store the Products. Until you sell the Products, they are, and must be identified as, the property of Miniso Depot CA, Inc. Miniso Depot CA, Inc. reserves the right to change the design of any Products and to add or delete models at any time without notice to you. If any such change is made, there will be no obligation on our part, or on the part of Miniso Depot CA, Inc., to swap out or exchange any Products that have been delivered already to you.

Under our Model B program, you will purchase the Products from Miniso Depot CA, Inc. in accordance with the terms of the supply agreement attached as Exhibit C. You will also owe a royalty fee to us during the operation of your business. Refer to Items 5 and 6 of this Disclosure Document for further details regarding the purchase inventory arrangement with Miniso Depot CA, Inc. and royalty fee owed to us.

Under both Model A and B programs, to furnish your store with the materials and equipment necessary for store operations, you must also pay a Material & Equipment Fee to our affiliate, Miniso Depot CA, Inc. As described in Item 5 of this Disclosure Document, Material & Equipment Fees will vary based on the location and size of the store you select, among other factors. The materials and equipment necessary for your store will be provided to you by third parties, including Miniso Depot CA, Inc. and/or other affiliates.

Additional Disclosures

Our affiliate, Miniso Depot CA, Inc., is presently the sole and exclusive supplier of Miniso Products to be sold in your store.

Miniso Depot CA, Inc. is the primary approved supplier of the materials and equipment to be used in your store. You may contract with an alternative supplier to obtain the materials and equipment for your store, provided that the supplier meets our criteria and you first obtain our approval. If you propose to offer for sale or use at your store any product or service or to use any supplier or equipment that is not then approved by us, you must first notify us in writing and request our consent to do so. You must submit to us samples and other information that we request to permit evaluation of the proposed product, service, equipment or supplier at your expense. You must reimburse us for all such costs and expenses upon receipt of invoice. We are not required to issue our approval or disapproval within any specified period, but we will typically notify you of our decision within 30 days of receiving all necessary information. We will either approve or disapprove the proposed supplies and/or suppliers within a reasonable period after we receive the evaluation request. We have the right to re-evaluate any Products, services, materials, equipment or suppliers previously approved and to revoke such approval when we deem appropriate, and we can require that some or all Products and services sold, and materials and equipment used in your store conform to specifications and quality standards that we may establish from time to time for protection and enhancement of the goodwill associated with the Marks. We are not required to reveal the contents, specifications and/or other details of any trade secrets or proprietary Products to you, non-designated suppliers, or any other third parties. There are no fees to secure approval to purchase from alternative suppliers. Any deviation from the terms of the approval given to you may result in revocation of our approval for the proposed alternative supplier, which will be decided in our sole discretion.

From time to time, and as circumstances warrant, we will provide to you in a Manual or in some other manner a list of any additional authorized suppliers and distributors to supply materials, equipment, and/or Products for use or sale at your store. We are not obligated to identify approved suppliers near your store location. We reserve the right to increase or decrease the number and selection of approved suppliers in our sole discretion.

We do not receive a commission or other material compensation from any supplier, including Miniso Depot CA, Inc. However, our affiliate, Miniso Depot CA, Inc., will receive compensation from you in the form of gross revenue sharing that you are required to pay to Miniso Depot CA, Inc. on a weekly basis in accordance with the terms of your consignment agreement or supply agreement, as explained in Item 6 of this Disclosure Document. Under our Model A program, you are also required to pay Miniso Depot CA, Inc. a refundable Merchandise Deposit, as described in Item 5 of this Disclosure Document. Under both Model A and B programs, you also are required to pay Miniso Depot CA, Inc. a Material & Equipment Fee, as explained in Item 5 of this Disclosure Document. For the year ending December 31, 2019, in connection with our franchise business we earned gross revenues of \$351,404.00. Of that amount, \$169,404.00 has been earned from the Material & Equipment Fee; and \$182,000.00 has been earned from Initial Fees. Our franchise business did not earn any revenue in 2020, due in large part to the COVID-19 pandemic. One hundred percent (100%) of our revenue has been earned from required purchases. Our affiliate, Miniso Depot CA, Inc., earned gross revenue of \$1,211,703.19 from sales of Miniso Products to franchisees pursuant to existing consignment agreements.

The estimated proportion of required purchases from approved suppliers of all Miniso products and materials required to establish and operate your franchise business is 100%. As of the date of this Disclosure Document, there are no purchasing or distribution cooperatives.

Under our Model A consignment program, you will need to provide our affiliate, Miniso Depot CA, Inc. with access to your ACH account or other similar bank account in which funds from the sale of Products are deposited, in accordance with the terms of the consignment agreement. Title to the ACH account or other similar bank account must indicate that the funds therein are being held in trust for the benefit of Miniso Depot CA, Inc, which will also have the right to freeze the ACH account or other similar bank account and to select a third party to investigate and/or audit the account to resolve any issues or questions related to the account.

You have the right to establish Store retail prices; provided, however, that we and/or our affiliates reserve the right to establish minimum and maximum prices to the extent permitted under applicable law. We also may recommend pricing. If you engage in advertising of the pricing for Miniso Products, such price advertising shall only contain established prices. You may not offer or provide any customer with any form of rebate, discount or promotional rate without Miniso Depot CA, Inc.'s prior written approval which may be withheld in its sole and absolute discretion. We may negotiate certain purchase arrangements (including price terms) for the purchase of certain items with suppliers for the benefit of franchisees. In doing so, we seek to promote the overall interests of our franchise system and our interests as the franchisor.

We do not provide material benefits to franchisees based upon their use of designated or approved suppliers.

You will need to design and build out your store in the manner we prescribe. Specifications will be provided to you in the Operations Manual or otherwise in writing. Refer to Items 5 and 6 of this Disclosure Document for related costs and fees you pay to us in connection with your store design and build out.

You must obtain and maintain insurance required under the Franchise Agreement at your expense from an insurance company satisfactory to us. All required insurance policies must name us and our affiliates as additional insureds, among other requirements. Your insurance must be in place and effective before any store opening.

ITEM 9

FRANCHISEE’S OBLIGATION

THIS TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT AND OTHER AGREEMENTS. IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THESE AGREEMENTS AND IN OTHER ITEMS OF THIS FRANCHISE DISCLOSURE DOCUMENT.

FA = Franchise Agreement
 SA = Supply Agreement
 CA = Consignment Agreement

Obligation	Section In Agreement	Item In Franchise Disclosure Document
a. Site selection and acquisition/lease	FA: Section 3 SA: Not applicable CA: Not applicable	None
b. Pre-Opening purchases/leases	FA: Sections 3, 4 SA: Sections 3, 5 CA: Not applicable	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	FA: Section 3 SA: Not applicable CA: Not applicable	Items 7, 8 and 11
d. Initial and ongoing training	FA: Section 4 SA: Not applicable CA: Not applicable	Items 5, 6, 7 and 11
e. Opening	FA: Section 3 SA: Not applicable CA: Not applicable	Item 11
f. Fees	FA: Section 11 SA: Sections 3.1 - 3.6 CA: Sections 3.5, 3.6	Items 5, 6 and 7
g. Compliance with standards and policies/Operating Manual	FA: Sections 7, 9, 13 SA: Not applicable CA: Sections 2.5, 7.4	Items 8 and 11

Obligation	Section In Agreement	Item In Franchise Disclosure Document
h. Trademarks and proprietary information	FA: Section 5 SA: Section 1.4 CA: Section 1.6	Items 13 and 14
i. Restrictions on products/services offered	FA: Sections 4, 13 SA: Sections 1.1-1.6, 2.1-2.5 CA: Sections 1.1-1.7, 2.1-2.5	Items 8, 11, 12 and 16
j. Warranty and customer service requirements	FA: Sections 10, 13 SA: Section 2.3 CA: Section 2.3	None
k. Territorial development and sales quotes	FA: Section 1 SA: Section 4.1 CA: Section 4.1	Item 2
l. Ongoing product/service purchases	FA: Sections 4, 7, 9, 13 SA: Sections 1.3-1.6, 2.1-2.5, 3.1-3.5 CA: Sections 1.3-1.7, 2.1-2.5, 3.1-3.5	Items 6 and 8
m. Maintenance, appearance and remodeling requirements	FA: Section 13 SA: Not applicable CA: Not applicable	None
n. Insurance	FA: Section 14 SA: Sections 3.3, 7.4 CA: Sections 3.3, 7.5	Items 7 and 8
o. Advertising	FA: Section 10 SA: Not applicable CA: Not applicable	Items 5, 6, 7, 8 and 11
p. Indemnification	FA: Section 14 SA: Section 3.5 CA: Section 3.5	Item 6
q. Owner's participation/management/staffing	FA: Sections 3, 4 SA: Not applicable CA: Not applicable	Items 11 and 15
r. Records and reports	FA: Section 12 SA: Sections 6.1-6.3 CA: Sections 6.1-6.3	None
s. Inspections and audits	FA: Sections 12, 13	Items 6 and 11

Obligation	Section In Agreement	Item In Franchise Disclosure Document
	SA: Sections 6.1-6.3 CA: Sections 6.1-6.4	
t. Transfer	FA: Sections 11, 18, 20 SA: Section 10.1 CA: Section 10.1	Item 17
u. Renewal	FA: Sections 2, 11 SA: Section 8.1 CA: Section 8.1	Item 17
v. Post-termination obligations	FA: Section 17 SA: Sections 8.2-8.4 CA: Sections 8.2-8.4	Item 17
w. Non-competition covenants	FA: Section 15, Schedules E & F SA: Section 1.6 CA: Section 1.7	Item 17
x. Dispute resolution	FA: Section 30 SA: Section 9 CA: Section 9	Item 17
y. Inventory supply and consignment services	FA: Sections 4, 11, Schedule H SA: Sections 1.1-5.10 CA: Sections 1.1-5.2	Item 8

ITEM 10

FINANCING

We do not offer direct or indirect financing for anything. We do not assist in providing financing for you. We do not guarantee any notes or financial obligations you may incur in setting up and operating your franchise.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, TECHNOLOGY, AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Pre-Opening Assistance

Before you open your store, we will provide you with the following assistance. We will:

(1) Review and consider proposed locations for the opening of your franchise store. You have the sole responsibility to select a site for your Miniso franchise store and to negotiate any lease, if applicable. Our consideration, review, and ultimate decision regarding your proposed store location does not constitute a guarantee of success or financial performance at that location. In evaluating the acceptability of a proposed location for a store, we consider many factors, including but not limited to, general location and neighborhood, traffic patterns, parking, size of the store, physical characteristics of existing buildings, lease terms, surrounding businesses and more. We have the sole and absolute discretion to reject or decline a proposed location. We are not required to make a decision regarding your proposed store location within any specific time period, but we will use our reasonable best efforts to notify you of our decision within 30 days from the date you submit your request. If we reject the proposed site, you must locate your franchise store at another site. You also are required to pay our reasonable travel and lodging expenses incurred to visit proposed store locations. If we do not agree on an acceptable location for your franchise store and you do not sign a lease agreement for your store within 120 days after signing the franchise agreement, unless we grant you a written time extension, we can elect to terminate the franchise agreement and return the initial franchise fee, less any amounts that we incurred for travel and lodging to visit proposed sites. In connection with our review of your proposed store, you must also submit for our review any lease and all site-related documents prior to their execution. We have the right to condition our decision regarding the location of your proposed store on a lease addendum or other related documents. (Franchise Agreement – Section 3(A)-(B).)

(2) Provide you directly with all of the materials, furniture, signage, computers, sales accessories, and equipment necessary to operate your business as part of the Material & Equipment Fee that you are required to pay to Miniso Depot CA, Inc. We, or our affiliate(s), will deliver these items to you, but you will be responsible for installing these items at your store. We will also provide you with specifications for the equipment, inventory, forms, and materials needed to operate your business. Refer to Item 5 of this Disclosure Document for more details. (Franchise Agreement – Section 3(E).)

(3) You are required to meet our store development standards and specifications, which may relate to your store design, decoration, facility layout, equipment, furniture, fixtures, signs and other items. We will provide you with Miniso's design standards and specifications, and we will provide guidance regarding the build-out of your store upon request. We are not responsible for conforming your store premises to local ordinances and building codes or otherwise obtaining any required permits. Refer to Item 5 of this Disclosure Document for more details. (Franchise Agreement – Section 3(C).)

(4) You are responsible for constructing, renovating and/or remodeling your store location to meet Miniso's standards. This means you will be responsible for the fees associated with all store construction and renovation, as well as compliance with all local ordinances, building codes, and permit obligations. You will also be responsible for selecting and hiring a licensed designer to prepare construction plans and drawings for your store, which plans/drawings must be approved in writing by Miniso before beginning construction. You are further responsible for selecting and hiring an architect

and general contractor to renovate, remodel and/or construct your store pursuant to the plans and store design reviewed and approved by Miniso. (Franchise Agreement – Section 3(C).)

(5) We offer a mandatory training program for your Designated Owner and your store manager, which consists of training in the classroom, on-the-job, and online. The training takes place in southern California. We also have mandatory 3-day pre-opening training, and optional post-opening training. We also require a mandatory 1-day training for you and your Designated Owner. Other employees will be trained by us and/or our affiliates, including Miniso Depot Management Service LLC and/or Miniso Depot CA, Inc. Refer to Items 6 and 8 of this Disclosure Document for more details. (Franchise Agreement – Sections 3(D), 4(C).)

(6) We do not provide you with the goods and inventory for your store, but our affiliate, Miniso Depot CA, Inc., will provide to you all of the Miniso branded and non-Miniso branded goods for you to sell in the operation of your franchise business, either on a consignment basis under a consignment agreement (Model A), or by sale under a supply agreement (Model B). Refer to Items 5 and 8 of this Disclosure Document for more details. (Franchise Agreement – Sections 3(D), 4(B).)

(7) As part of the Grand Opening Kit that you are required to purchase in connection with the opening of your store, we will provide you with advertising and marketing materials to announce the opening of your store to the public in the immediately surrounding geographic area. Refer to Items 5 and 6 of this Disclosure Document for more details. (Franchise Agreement – Section 10(F).)

(8) Provide you access, as a loan, to one copy of the Operations Standards Manual for you to use for so long as you are a franchisee. Our Operations Manual and other written and electronic materials contain our System Standards and other information on your obligations under the Franchise Agreement. We may periodically modify the Operations Manual to reflect changes in the System Standards. Our master copy controls. You must keep the Operations Manual confidential. (Franchise Agreement – Section 7(A).)

Under the Franchise Agreement, you must open for business within 1 year of the effective date of the Franchise Agreement. The factors that affect these dates are: the ability to find an acceptable location for your Miniso store; the ability to obtain a lease for your store; time for renovations and leasehold improvements; your ability to install the materials and equipment that we provide to you; local ordinances and building permit requirements; and weather conditions. Any delay must be approved by us in writing. (Franchise Agreement – Section 3(D).)

Post-Opening Assistance

After you open your Store, we will:

(1) Give you any updates to the Operations Manual and System Standards we choose to make. Any such modifications we may make to the Operations Manual will be effective upon their delivery to you, unless we specify a later effective date for a particular modification. You must keep your copy of the Operations Manual current by immediately inserting all new and/or modified pages. (Franchise Agreement – Section 7(A).)

(2) Approve any advertising materials that you intend to use in the operation of your franchise store. (Franchise Agreement – Section 10(A).)

(3) Maintain and administer the Marketing Fund, if any, and the System Website, if established. (Franchise Agreement – Sections 10(C)-(D).)

(4) Provide any necessary training that we choose to implement for franchise store owners. (Franchise Agreement – Section 4(C).)

(5) We do not provide any assistance in the hiring and training of employees. But for the two weeks following the opening of your store, we and/or our affiliates may provide post-opening assistance and optional training. Refer to Items 6 and 8 of this Disclosure Document for more details. (Franchise Agreement – Sections 3(D), 4(C).)

Opening

The typical length of time between the signing of the Franchise Agreement and the opening of your Miniso franchise store can vary. We estimate that you will be able to open your store within approximately 6-12 months after you sign the Franchise Agreement. The timing depends on, among other variables, the time it takes you to locate an acceptable store location, negotiate a lease with the landlord, perform the renovations and leasehold improvements necessary to build out the store in accordance with our design standards, install the materials and equipment necessary to operate your store, obtain financing (if necessary), obtain insurance, and comply with applicable state and local laws and regulations. You must select an acceptable store location and enter into the relevant lease agreement for your store within 120 days of signing the Franchise Agreement or we may terminate the Franchise Agreement. In addition, you must open your Miniso store within 1 year of signing the Franchise Agreement or we may terminate the Franchise Agreement. (Franchise Agreement – Section 3(A)-(D).)

We require that you submit any letter of intent or leasing proposal for your store to us for review prior to execution of any letter of intent or lease agreement. We may condition our decision regarding the location of your store on a lease addendum or other appropriate site-related documents. We also require that you and the Landlord sign a collateral assignment of lease to secure your obligations to us under the Franchise Agreement. As part of the collateral assignment of lease, you will be required to assign, transfer and set over to us all of your right, title and interest to the lease for your franchise store. You will also be required to indemnify and hold us harmless from any claims and demands related to your use and occupancy of the leased premises where you operate your franchise store. We will not take possession of the leased premises until and unless you default, or there is a termination, cancellation, rescission or expiration of your rights under the lease, any sublease, the Franchise Agreement, or any other agreement between us, or between you and our affiliates. You must deliver to us a copy of the signed lease or sublease and collateral assignment of lease within 5 days after their execution. Our review of a lease or purchase agreement, or any advice or recommendation by us, is not and shall not be construed as a representation or guarantee that you will succeed at that location or an expression of our opinion regarding the lease terms. (Franchise Agreement – Section 3(B), Schedule G.)

You may not open your Miniso store until you obtain and maintain all insurance, licenses, permits and approvals needed to conduct your franchise business; make leasehold improvements; enter into the Consignment Agreement with Miniso Depot CA, Inc. to obtain on a consignment basis delivery of the Miniso products to be sold in your store (for Model A), or enter into the Supply Agreement with Miniso Depot CA to purchase the inventory of Miniso products to be sold in your store (for Model B); and obtain and install all necessary computer systems, equipment, Products and other inventory and furnishings needed to start and operate the Store in compliance with all of our applicable standards, specifications, and the Franchise Agreement. You cannot open your store to the public without our prior written authorization, which will require that (i) all Initial Franchise Fees and any other amounts due to us and any of our affiliates have been paid; (ii) we have determined that your store development requirements have been met to our reasonable satisfaction, and you have signed and delivered a copy of the Consignment Agreement or Supply Agreement, as applicable for your franchise Model; (iii) you have provided the required certificates of insurance coverage to us; and (iv) your Designated Owner and store

manager have completed pre-opening training requirements to our reasonable satisfaction. (Franchise Agreement – Section 3(D).)

Advertising Programs

Local Advertising

During the term of the Franchise Agreement, we will not require you to spend any amount on Advertising except for your contributions to the Marketing Fund and contributions to a Local Advertising Cooperative, if we establish such a fund and/or cooperative in which you must participate. We may, but are not required to, provide you with advertising templates, mobile or other applications or other promotional material for marketing your store, which you may need to customize for use with your store. You will bear costs associated with such advertising and promotions. (Franchise Agreement – Section 10.)

If you do intend to engage in any Advertising, you must submit to us for our approval, all Advertising materials, unless they have been approved before or they consist only of materials we provide. All Advertising materials containing the Marks or other intellectual property of ours must include the applicable designation - service mark sm, trademark TM, registered trademark [®] or registered copyright [©], or any other designation we specify. If you have not received the written or oral disapproval of materials submitted within ten (10) business days from the date we received the materials, the materials are deemed to be disapproved. We may require you to withdraw and/or discontinue the use of any promotional materials or advertising, even if previously approved, if in our judgment, the materials or advertising may injure or be harmful to the System. (Franchise Agreement – Section 10(A).)

System Website

We can, but are not obligated to, license, create and/or maintain a Miniso website for franchisees. If such a website is created and maintained, you will be required to participate in and provide us with pertinent information for content development, subject to usage, privacy and other system policies and procedures. You cannot establish any website or other internet presence related to your store, nor can you publish any information or statements using the MINISO trademarks in any manner, including but not limited to social networks and related media, without our prior written consent. You cannot operate or be involved with any online store offering or selling products or services the same as or competitive with the Products and Services available through your franchised business. (Franchise Agreement – Section 10(D).)

Marketing Fund

Recognizing the value of marketing and branding to the goodwill and public image of MINISO, we may establish a Marketing Fund (the “**Marketing Fund**”) for the purpose of promoting and enhancing the stores, the System and the Marks, as we deem appropriate. If we establish a Marketing Fund, you must pay us a monthly Marketing Fund contribution in the amount of up to two percent (2%) of your gross revenues. (Franchise Agreement – Section 10(C).)

If we create a Marketing Fund, we will have sole discretion over all matters relating to its operations and be solely responsible for its financial management. We will account for the Marketing Fund separately from our other funds. Contributions may be used to pay for taxes related to the Fund and all administrative, accounting, audit, legal and other costs related to Fund activities and purposes and/or as authorized by the relevant franchise agreements. We will prepare and give to you each calendar year a financial report of revenues and expenditures for the Marketing Fund, which report may or may not be

audited at our discretion. The Marketing Fund may be used as we consider appropriate, including for, but not limited to, product development; signage; creation, production and distribution of marketing, advertising, public relations and other materials in any medium, including the Internet; in-house agency services and expenses; all outside costs of administering the Fund, including related legal, insurance, accounting, auditing, and collection fees/costs; brand/image campaigns; media; national, regional, local and other marketing programs; agency and consulting services; research; web site development, maintenance and web-based campaigns; 800 numbers and advertising fulfillment costs; any expenses approved by us or our Affiliates and associated with franchisee advisory groups; and research costs. A brief statement regarding the availability of franchises may be included in advertising and other items produced or disseminated using the Marketing Fund, but Marketing Fund contributions will not be used for the direct solicitation of franchise sales. We may use the Marketing Fund to pay the reasonable salaries and benefits of our personnel who manage and administer the Marketing Fund, the Marketing Fund's other administrative costs, travel expenses of personnel while they are on Marketing Fund business, meeting costs, overhead relating to Marketing Fund business, and other expenses that we incur in activities reasonably related to administering or directing the Marketing Fund and its programs, including, without limitation, conducting market research, public relations, preparing advertising, promotion and marketing materials, and collecting and accounting for Marketing Fund contributions. (Franchise Agreement – Section 10(C).)

We do not have any fiduciary obligation for administering the Marketing Fund or for any other reason. The Marketing Fund may spend in any fiscal year more or less than the total Marketing Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will have the right to spend in any fiscal year an amount greater or less than the aggregate contributions to the Marketing Fund in that year, and the Marketing Fund may borrow from us, our affiliates, or other lenders to cover Marketing Fund deficits. We can accumulate funds over time until such time as we determine in our sole discretion that sufficient funds are available to adequately conduct Fund activities. We also can cause the Marketing Fund to invest any surplus. We can at our discretion defer, waive and/or compromise claims for contributions to, and/or claims against or with respect to, the Marketing Fund and take legal or other action against any franchisee in default of its obligations and/or deny it access to programs, materials and/or other benefits funded by the Marketing Fund. We have no obligation to ensure that expenditures by the Marketing Fund are or will be proportionate or equivalent to contributions to the Marketing Fund by Store franchisees operating in any specific geographic area, or that any Store franchisee will benefit directly, indirectly or in proportion to its contribution to the Marketing Fund. No profit or gain will accrue directly to us from the Marketing Fund. Any interest earned on Marketing Fund contributions will be remitted to the Marketing Fund. (Franchise Agreement – Section 10(C).)

We have the right in our sole discretion to terminate any Marketing Fund. We will not terminate the Marketing Fund, however, until all Marketing Fund contributions have been expended or returned to then current franchisees in good standing on a pro rata basis based on total Marketing Fund contributions made in the immediately preceding calendar year by each such franchisee. (Franchise Agreement – Section 10(C).) Franchisor or affiliate-owned stores may, but are not required to, participate in any Marketing Fund.

Since no Marketing Fund has been established to date, we do not have any information to provide on Fund expenditures in the prior year.

Local Advertising Cooperative

We may require that you join a local marketing group (a “Co-op”) if we prescribe such a Co-op in an area in which your store is located. Any Co-op will include one or more Miniso store. All Miniso

franchisees in the prescribed area will be obligated to participate in the Co-op, with each Miniso store having a single vote, including any company-owned stores that are owned by us and/or our affiliates, in whole or in part. If established, you must contribute up to three percent (3%) of Gross Revenues to the Co-op program monthly or as otherwise specified by at least one half of the stores in the Co-op. Your Co-op contribution cannot exceed three percent (3%) of Gross Revenues unless a greater amount is approved by more than two thirds of the Stores in the Co-op, whether franchised or owned by us and/or our affiliates, in whole or in part. Your payments to any such Co-op shall not be considered as or deemed to be Marketing Fund contributions or fees, and are separate and distinct from your marketing fee obligations if we establish a Marketing Fund, or any program participation costs for other advertising or loyalty programs that we may create and implement in our discretion. (Franchise Agreement – Section 10(G).)

We have no Co-ops established as of the date of this Disclosure Document. The Franchise Agreement does not specify that franchisor-owned outlets must contribute to a Co-op, or who is responsible for its administration, or whether it must have governing documents or prepare periodic financial statements. We have no advertising council and the Franchise Agreement does not require us to establish one.

Gift Card, Certificates and Customer Loyalty Programs, Mobile or Other Payment Capability/App/Programs

You may not implement any gift card, gift certificate, customer loyalty or similar rewards program or any mobile or other payment capability/app/program for your store without our prior written approval, or as may be authorized in any Manual or through other written communication to franchisees. We can condition any such consent upon your compliance with or inclusion of particular program terms or practices designed to protect the good will associated with our Marks. Such programs shall be applied universally across all Miniso locations (corporate and franchise-owned), and all Franchisees must participate in redemption of such programs. You are required to accept credit cards, debit cards, rewards points, and such other means of payment; to sell and accept our approved gift cards, gift certificates, and other comparable items, as provided or designated by us or which are prepared using any standard form that we prescribe; and to abide by the terms of any gift card or gift certificate or loyalty program that we specify, all as provided in any Manual or through other written communication to you and at your expense, including without limitation all policies and procedures relating to sales, issuance and redemption and payment of related fees and costs. (Franchise Agreement – Section 10(B).)

You are required to honor gift cards in the form that we provide or approve, if any, regardless of whether issued directly or indirectly by you, us, our affiliates, or another Miniso franchise or company-owned store. You must timely make any payments due for gift cards and comply with processes for requests for reimbursement for goods and services sold in exchange for gift cards. (Franchise Agreement – Section 10(B).)

You also are required to implement and accept any mobile or any other payment capability/app/program that we may designate from time to time and to abide by the terms of any related mobile or any other payment program policies and procedures, all as provided in any Manual or through other written communication to franchisees and at your expense. You are required to purchase or lease, install and use all equipment components and software that meet any standards and specifications that we establish and which allow you to accept and process any such gift/loyalty cards, certificates or programs and mobile or any other payment programs, as we may require. You must give us or our affiliates independent access to related system information. Your expenses incurred in connection with any gift card, certificate or customer loyalty program or any mobile or other payment capability/app/program shall not be considered or deemed to be Marketing Fund contributions or to satisfy any Local Marketing Co-op

requirement and are separate and distinct from any marketing fee obligations. (Franchise Agreement – Section 10(B).)

Computer System Requirements

We require that you purchase and maintain in your store a Computer System (defined in the Franchise Agreement to include computer hardware, software, operating systems and databases, Internet technology, communications devices, payment systems, and other systems/items/equipment). Currently, we do not specify the type of computer(s) required for your store, but the cost of purchasing the Computer System, including store computers, Miniso's retail point of sale (POS) system, and all other operating systems and databases necessary to operate the franchise, is included in the Material & Equipment Fee, which we describe in detail in Item 5 of this Disclosure Document. The Material & Equipment Fee varies based on the size of the store you select, the location of your store, and more. (Franchise Agreement – Sections 3(E), 12(B).)

We require your Computer System to be connected to the Internet and have email and file sharing capabilities. The ongoing cost to maintain telephone service and high speed internet access, which is required for all franchise stores, is not included in the Material & Equipment Fee. Monthly fees for telephone and internet service will vary by store location, service provider, and other factors. (Franchise Agreement – Sections 3(E), 12(B).)

We provide to you technical support and maintenance required for your POS System. In the future, we may require you to update the Computer System or install other Computer Systems that we designate, and may also require you to change, upgrade or add to your computer system and software from time to time on written notice from us and/or as required by then applicable software and hardware manufacturers or providers. With the exception of the POS System, you are responsible for any supplier and/or licensor charges for use, maintenance, support and/or updates of and to the required Computer Systems. Neither we, nor our affiliates, nor any third parties are required to provide ongoing maintenance repairs, upgrades, or updates to your Computer System. There are no contractual limitations on the frequency or cost of any maintenance, repairs, upgrades or updates. Currently, there are no optional or required maintenance/upgrade contracts for the Computer System. (Franchise Agreement – Section 12(B).)

Each transaction of your Miniso store must be processed using our proprietary software in the manner we prescribe. We will not have independent access to the information generated and stored in the Computer System. However, we have the right to access all of your computer data, computer systems and related information via direct access either in person or electronically by telephone, Internet or otherwise, including customer related information/data. There are no contractual limitations on our right to access this information. You are responsible for ensuring that the collection, input, storage and use of your data complies with any applicable privacy laws and regulations.

Operating Manual

We will provide you access, as a loan, to one copy of our Operating Manual (currently 228 total pages) that contains mandatory and suggested specifications, standards and procedures. This manual is confidential and remains our property, and is for you to use for so long as you are a franchisee. We may modify this manual, in our sole discretion. You will be responsible for complying with any mandatory changes set forth in the manual at your sole expense. (Franchise Agreement, Section 7(A).) A copy of the Table of Contents of the Manual is attached as Exhibit D to this Disclosure Document.

Training

You or the Designated Owner of your franchise, along with your store manager(s), must attend an initial training program, which presently consists of a 1-day orientation training for the purpose of obtaining details and insight on the operation of your store. There is no fee for the training offered, other than the actual costs for the training service provider(s) to travel to your store for the training, if the training is held in-person rather than on-line. (Franchise Agreement – Section 4(C).)

Your store manager(s) also will be required to attend a mandatory training program, which is held in the southern California area, typically at our corporate office in Pasadena and at a nearby Miniso retail store owned by our affiliates. This mandatory training program consists of up to 30 days of on-the-job training and classroom training, and 1 day of online training, depending on the skill and experience of the store manager. There is no fee to take the training, but you are responsible for all incidental costs that the store manager and we incur in connection with the training program, such as lodging, transportation, and other related expenses. (Franchise Agreement – Section 4(C).)

The following table establishes the current training program for your store manager:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Corporate Culture	30 Minutes		Southern California
Opening/Closing Procedures	1 Hour	3-5 Days	Southern California
Administrative Work	2 Hours	1 Week	Southern California
Displays	2 Hours	3-5 Days	Southern California
Service Etiquette	1 Hour	1 Day	Southern California
Stockroom Organization	1 Hour	5-10 Days	Southern California
Conflict Management	1.5 Hours		ADP WebEx Training (online)
Leadership Styles	1.5 Hours		ADP WebEx Training (online)
Basic Skills for First Time Supervisors	1.5 Hours		ADP WebEx Training (online)

The initial training program and mandatory training for your store manager is conducted under the direction of Hunter Tian, North America Operations Officer. Mr. Tian has worked with our brand for over 5 years and has over 5 years of experience in the topics of instruction. All training materials provided to you by us, including the operations manual, shall at all times remain our property and Confidential Information (as defined in Item 14).

In addition to the store manager, you may send other employees to attend this training program at your expense, although you are not required to do so. We may decide to conduct additional training classes throughout the year. If we develop a more extensive and/or mandatory Training Program, which we reserve the right to do in our sole discretion, you, your Designated Owner, and/or your employees may be required to successfully complete this Training Program and obtain any applicable state or local certifications. You will be responsible for all travel, living, incidental and other expenses that you or your employees may incur while attending a training program. We can also charge a reasonable fee for any additional instructional programs, the amount of which will be published in any Manuals to the extent applicable. (Franchise Agreement – Section 4(C).)

ITEM 12

TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

We have the right to locate, and to license others to locate, and operate new Miniso stores or any other kinds of businesses related to the MINISO brand regardless of their proximity to or competition with your store.

We also have the right to use, and to license others to use, any distribution channels of any type for the sale of any and all kinds of goods and services, including Miniso products. This means we can choose to sell Miniso products through any other retail outlet, including large department stores, grocery outlets, the Internet, and more. We can also develop or become associated with other concepts, including dual branding and/or other license or franchise systems, for any kind of products or services, whether or not using the Miniso franchise system. We also can acquire, be acquired by, merge, affiliate or co-brand with, or engage in any transaction with other businesses with outlets located anywhere, whether or not competitive or franchised. We have the sole and absolute discretion in this regard. You must participate at your expense in any brand/chain conversion, if we direct you to. We and our affiliates have all rights not expressly granted to you or expressly precluded under the Franchise Agreement.

You acknowledge that our affiliates, Miniso Depot CA, Inc. and Miniso Depot Financial, Inc., currently sell Miniso products through their own retail stores. We, and each of our affiliates, may use and benefit from certain products, services and aspects of the System that the Miniso franchise stores also use, including, without limitation, the MINISO name and certain other Marks, trade dress, administrative systems, client management systems, training programs and conventions, standards and specifications and advertising, marketing and branding programs.

You have no option, right of first refusal or any similar right to acquire additional franchises. You may only relocate your Miniso franchise store with our written consent. Our consent is subject to the same review, leasing and development requirements as are applicable to your initial location, as described in Item 11. Franchisees may sell products and services at the store to individuals regardless of where they reside.

ITEM 13

TRADEMARKS

Section 5 of the Franchise Agreement grants to you the right to use certain trademarks, service marks, trade names, logos and commercial symbols authorized by us for use by franchisees in connection with the Miniso franchise System (“Marks”) only in the manner we authorize and permit and only for the operation of your Miniso franchise store. The principal Marks are as follows:

	Mark	U.S. Registration No.	Registration Date
1.		Registration No. 4,934,556	Registered on April 12, 2016
2.		Registration No. 5,517,167	Registered on July 17, 2018
3.		Registration No. 5,549,107	Registered on August 28, 2018

Mark #1 in the chart above was registered on the Principal Register of the United States Patent and Trademark Office (the “USPTO”) on April 12, 2016, under Registration No. 4,934,556. Mark #2 in the chart above was registered on the Principal Register of the USPTO on July 17, 2018, under Registration No. 5,517,167. Mark #3 in the chart above was registered on the Principal Register of the USPTO on August 28, 2018, under Registration No. 5,549,107.

The Marks are in good standing. Declaration of Use and Maintenance Fees are not due until April 12, 2022 for Registration No. 4,934,556; July 17, 2024 for Registration No. 5,517,167; and August, 28, 2024 for Registration No. 5,549,107 (and a six-month grace period may be available for an additional government fee). As set forth in the USPTO records, none of the Marks has been the subject of any adverse post approval or registration opposition or cancellation proceedings. There are no currently effective material determinations of the USPTO, Trademark Trial and Appeal Board (“TTAB”), or the Trademark Administrator of any state or any court with respect to the Marks. There are no currently pending infringement, opposition or cancellation proceedings initiated against the aforementioned marks. The holder of the Marks has acted to protect the Marks, and has filed two opposition proceedings before the TTAB seeking to preclude registration of third party marks, which are terminated. There is no

currently pending material litigation involving the Marks. There are no decided infringement, cancellation or opposition proceedings where we unsuccessfully fought to prevent registration of a trademark in order to protect the Marks we sublicense.

USA Miniso Depot, Inc. licensed the right to use the Marks and the System from Guangdong Saiman Investment Co., Ltd. in an Intellectual Property License Agreement effective January 1, 2018. Under this license agreement, USA Miniso Depot, Inc. has the right to sublicense the Marks and the System to us so that we may, in turn, grant to franchisees in the United States sublicenses to the Marks and System for the operation of a Miniso franchise store. The license agreement has a current term of 10 years, but that term can be extended by the licensor upon terms and conditions agreed to by USA Miniso Depot, Inc. and the licensor. The license agreement may be terminated if USA Miniso Depot, Inc. engages in conduct which is detrimental to the Marks or to the goodwill connected with them, or that is not in accordance with the policies, specifications, directions or standards of the licensor, and USA Miniso Depot, Inc. fails to cease such conduct within 30 days of receiving written notice of such conduct. The license agreement also may be terminated if USA Miniso Depot, Inc. defaults in any of its contract obligations and fails to correct such default within 30 days of receiving written notice of such default.

By Intellectual Property License Agreement effective January 1, 2018, we licensed the right to use the Marks and the System in the United States from USA Miniso Depot, Inc. Our license agreement with USA Miniso Depot, Inc. permits us to grant franchisees in the United States sublicenses for the operation of a Miniso retail store through the Franchise Agreement. Our license agreement has a current term of 10 years, but that term can be extended by USA Miniso Depot, Inc. upon terms and conditions agreed to by USA Miniso Depot, Inc. and us. Our license agreement may be terminated if we engage in conduct which is detrimental to the Marks or to the goodwill connected with them, or that is not in accordance with the policies, specifications, directions or standards of USA Miniso Depot, Inc., and we fail to cease such conduct within 30 days of receiving written notice of such conduct; or if we default in any of our contract obligations and fail to correct such default within 30 days of receiving written notice of such default. If the Intellectual Property License Agreement is terminated, you may be required to stop using the Marks and the System.

Guangdong Saiman Investment Co., Ltd. assigned its rights to (i) the Marks, (ii) the System and (iii) its rights and interests under the January 1, 2018 license from Guangdong Saiman Investment Co., Ltd. to USA Miniso Depot, Inc., to its affiliate, Miniso Hong Kong Limited in an Intellectual Property Assignment effective February 21, 2019.

The assignments of Marks #2 and #3 to Miniso Hong Kong Limited were recorded with the U.S. Trademark Office on December 11, 2018 and December 13, 2018, respectively. Further, with respect to Mark #1, Guangdong Saiman Investment Co., Ltd. on April 2, 2019 filed a Request for Recording of a Change of Ownership with the World Intellectual Property Organization (WIPO), which identified Miniso Hong Kong Limited as the new owner of Mark #1. The Change of Ownership is now of record in the USPTO, with an effective date of modification of April 2, 2019, and Mark #1 is identified as being owned by Miniso Hong Kong Limited.

By way of the foregoing January 1, 2018 license from Guangdong Saiman Investment Co., Ltd. to USA Miniso Depot, Inc., the February 21, 2019 assignment from Guangdong Saiman Investment Co., Ltd. to Miniso Hong Kong Limited, and our January 1, 2018 sublicense with USA Miniso Depot, Inc., USA Miniso Depot, Inc. holds a license from its affiliate, Miniso Hong Kong Limited, to use and sublicense the use of the Marks and the System in the United States, and USA Miniso Depot, Inc. sublicenses to us the rights to the use of the Marks and System for the purpose of offering a Miniso franchise in the United States to franchisees.

You must notify us immediately of any apparent infringement of or challenge to your use of any Mark, or claim by any person of any rights in any Mark, and not communicate with any person other than us, our counsel and your counsel in connection with any such infringement, challenge, or claim. We may take the action we deem appropriate (including no action) and exclusively control any litigation or USPTO or other proceeding arising out of any such infringement, challenge, or claim or otherwise relating to any Mark. You must sign any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of our counsel, be necessary or advisable to protect and maintain our interests in any litigation or USPTO or other proceeding or to otherwise protect and maintain our interests in the Marks. We are not required to defend you and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the Marks if the proceeding is resolved unfavorable to you. You must not directly or indirectly contest our right to our trademarks, trade secrets, or business techniques that are part of our business.

If, in our sole discretion, it becomes advisable for us and/or you to modify or discontinue use of any Mark and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions to modify or otherwise discontinue the use of such Mark within 30 days after notice.

There are no infringing uses or superior prior rights actually known to us that could materially affect your use of the Marks. However, our applications and/or registration of the Marks does not prohibit others from using the Mark or confusingly similar variations of the Marks who may have established prior rights to the use of the Marks, or confusingly similar variations of the Marks, in the areas where neither we nor our Franchisees have operated or advertised under the Marks and that are not within the natural zone of expansion for future franchise or company offices, provided others do so in good faith and without actual knowledge of our existence or our Franchisees' use of the Marks. We would therefore be unable to prohibit the use of the Marks by others who had prior use of the Marks or confusingly similar variations of the Mark at the time we first used them. If others establish prior rights to the Marks in certain territories, we may be restricted in our ability to use the Marks when expanding into those geographical areas.

Your rights to use the Marks are derived solely from your Franchise Agreement, are non-exclusive, and are limited to the operation of your Miniso franchise store under your Franchise Agreement and all applicable standards, specifications, and operating procedures we require during the term. Any unauthorized use of the Marks is a breach of your Franchise Agreement and an infringement of our rights in and to the Marks. Your use of the Marks and any goodwill established thereby will inure to our and USA Miniso Depot, Inc.'s exclusive benefit and the Franchise Agreement does not confer any goodwill or other interests in the Marks upon you (other than the right to own and operate your franchise store). All provisions of the Franchise Agreement applicable to the Marks apply to any other trademarks, service marks, commercial symbols, designs, artwork, and logos that we may adopt, use, authorize and sublicense to you to use during the term.

You must follow our rules when you use the Marks. Except to the extent we authorize you to do so in writing, you may not use or authorize the use of any Mark or abbreviation thereof, or any references to you or your franchise store, as part of a domain name, electronic address, meta tag, Website or otherwise on the Internet, or any other similar proprietary or common carrier electronic delivery system. You must use the Marks as your franchise's sole identification, except that you agree to identify yourself as the independent owner and operator thereof in the manner we prescribe. You may not use any Mark (a) as part of any corporate or legal business name; (b) with any prefix; suffix or other modifying words, terms, designs or symbols (other than logos we have licensed to you); (c) in selling any unauthorized products or services; (d) as part of any domain name, electronic address, or search engine you maintain on any Website; or (e) in any other manner we have not expressly authorized in writing.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

No patents are material to the franchise. We claim copyrights in the Operations Manual, advertising, training and promotional materials and similar items used in operating a Miniso store. We have not registered any copyrighted materials with the U.S. Registrar of Copyrights but need not do so at this time to protect them. You must modify or discontinue using any copyrighted materials as we direct.

There are no currently effective material determinations of the USPTO, U.S. Registrar of Copyrights or any court regarding any of the copyrighted materials. No agreements limit our right to use or license the copyrighted materials. We do not know of any superior prior rights or infringing uses that could materially affect your using the copyrighted materials. You must notify us immediately if you learn of an infringement of our copyrights and cooperate with us to protect our interests in the copyrighted works. We need not protect or defend copyrights or take any action if notified of infringement, although we intend to do so if in the best interest of our System, us or our Affiliates. We may control any action involving the copyrights. No agreement requires us to participate in your defense or indemnify you for damages or expenses in a proceeding involving a copyright or claims arising from your use of copyrighted items.

Confidential Information

We and our affiliates will disclose Confidential Information to you during the term of your Franchise Agreement, including in the Operations Manual. “**Confidential Information**” includes in any form, current and future, the following:

- (a) any Manual, techniques, processes, instructional materials and curricula, policies, procedures, systems, data, and know how regarding the establishment, operation and franchising of MINISO Stores;
- (b) Store layouts, designs, and display techniques, specifications for any MINISO customized Products and Services, and supplier lists and related agreements, pricing and terms; and
- (c) Trade Secrets and other non-public information regarding the System or MINISO Stores, including potential location plans, System statistics, profits, financial data, marketing plans, business strategies, training programs and materials, product and supplier resources, store management services and techniques, operations methods and techniques, Store performance information, customer lists and related data for all MINISO Stores, and other operating data/information, all of which is owned by and proprietary to Franchisor or a Franchisor Associate, as applicable, as well as know-how regarding the operation and management of a Miniso retail outlet.

“Confidential Information” is not intended to include any information that: (i) is or subsequently becomes publicly available other than by your breach of any obligation; (ii) was known by you prior to becoming a Miniso franchisee; or (iii) is independently developed by you. For avoidance of doubt, all customer lists and related data are owned by us. Your only interest in any of our or our Affiliates’

Confidential Information or in any trade secret is the right to use it in connection with the operation of your Franchised Business and pursuant to the terms of your Franchise Agreement.

Both during and after the term of this Agreement, you agree: (i) to use Confidential Information and any copyrighted works only for the operation of your franchise store; (ii) to maintain the confidentiality of the Confidential Information; (iii) not to make or distribute, or permit to be made or distributed, any unauthorized copies of any portion of the Confidential Information and/or any copyrighted works; (iv) not to alter, appropriate, use and/or distribute any Confidential Information or Copyrighted Works except as we authorize; and (v) to implement all procedures we reasonably prescribe for prevention of unauthorized use or disclosure of the Confidential Information and any copyrighted works. You must comply with the then-current Payment Card Industry Data Security Standard and any revision to it adapted by the PCI Security Standards Council, LLC (the “PCI Council”) or any successor organization or standards we may specify. You must also implement enhancements and security requirements and other requirements established by the PCI Council for merchants accepting payment by credit or debit cards.

You must provide us with copies of all confidentiality agreements upon request. You must take such measures to guard any Confidential Information and copyrighted works against misuse or misappropriation as you do for your own confidential information and intellectual property, but no less than reasonable measures. Additionally, you must grant us and our affiliates, as applicable, the unrestricted, perpetual right without charge to own, use and license the use of any enhancement, adaptation, invention, publication, derivative work, modification or new process developed or acquired by you or your employees, agents, and suppliers concerning any aspect of the store or its operation, training programs, sales techniques, advertisements and promotional materials.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Miniso does not require that you personally supervise the day-to-day operations of the Franchised Business, although we do recommend that you personally supervise day-to-day operations of your business, as you are ultimately responsible for its supervision and operation.

If the party entering into the Franchise Agreement with Miniso is not an individual, then you and the other owners must personally guarantee all of the obligations to Miniso under the Agreement by signing a Guarantee and Assumption of Obligations (the “**Guarantee**”), in the form found at Schedule B to the Franchise Agreement. You must also complete the form found at Schedule A to the Franchise Agreement identifying a “**Designated Owner**” for your Franchised Business. The Designated Owner is a person who holds an equity interest in your Franchised Business, is solely responsible for Store supervision, and is identified as such on Schedule A. You must keep us informed as to the identity of each Designated Owner. We are authorized to deal with any Designated Owner on all matters related to the Franchise Agreement and the Franchised Business.

Your store manager must successfully complete our training program. The Designated Owner of your franchise shall attend a 1-day training for the purpose of obtaining details and insight on the operation of your store.

You must notify each of your employees, managers, directors, officers, and owners of your obligations with respect to each of the covenants contained in the Franchise Agreement regarding Confidential Information. We may require that you cause anyone who has access to Confidential Information, including store managers, to sign a form of confidentiality and non-use agreement. For franchisees outside of California, you must also sign Schedule E to the Franchise Agreement, which among other things prohibits you from having any direct or indirect interest in a similar business, or providing financial support or performing services anywhere as an employee, representative, or agent for a similar business, during the term of the franchise and continuing for 2 years after the transfer, termination or expiration of the Franchise Agreement. For franchisees in California, you must sign Schedule F to the Franchise Agreement, which among other things prohibits you for a period of 2 years after the transfer, termination or expiration of the Franchise Agreement from having any direct or indirect interest in a similar business, or providing financial support or performing services anywhere as an employee, representative, or agent for a similar business, within a radius of 10 miles of your store location if fulfillment of your duties and obligations would inherently require you to disclose and/or use Confidential Information or trade secrets.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale all Miniso branded and non-branded products that are authorized and provided to you by, or that you purchased from, our affiliate, Miniso Depot CA, Inc. We may require you to stop offering any products that we no longer authorize. You may not offer for sale or sell any products we have not approved and you must discontinue selling and offering for sale any products that we at any time decide (in our sole discretion) to disapprove. We reserve the right to disapprove any materials or items that are not consistent with the concept and image of the MINISO brand. You cannot without our written consent conduct any business or engage in any activity, or offer or sell any goods or services other than approved products. You cannot use any product, equipment, service or supplier that is not approved by us or our Affiliates in connection with your franchised business.

You must operate your Franchised Business observing the highest standards of sanitation, cleanliness, customer service and efficiency. You will also be required to keep the condition and appearance of the interior and exterior of your Store clean, in good repair and consistent with our quality standards and System in order to maintain the goodwill and positive image associated with the MINISO Marks and System (collectively, “**Store Maintenance Activities**”). You must also work to replace all worn, obsolete or unrepairable assets with those meeting any then current System Standards. We have the right to notify you that, in our judgment, the Store’s repair, appearance, Equipment or other assets do not meet our standards and to state what action you must take to correct the deficiency(s). You will then need to take all steps needed to correct each deficiency within the timeframe(s) that we specify.

In addition to such ongoing obligations, you must at your own expense and within 6 months of receipt of written notice from us (or within such longer period as we may specify), renovate, update, remodel and otherwise conform your Store to meet then current MINISO Store design and appearance requirements as implemented by us (collectively, a “**Store Update**”). We reserve the exclusive right to determine whether a required modification is all or a portion of a Store Update or a part of your ongoing obligations to perform Store Maintenance Activities and comply with System changes. You may be required to perform a Store Update once in each Franchise Term. You may also be required to perform a Store Update as a condition to our award of a renewal MINISO Franchise or to approval of a proposed Transfer.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

FA = Franchise Agreement
SA = Supply Agreement
CA = Consignment Agreement

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	FA: Section 2(A) SA: Section 8.1 CA: Section 8.1	FA: The initial franchise term is for five (5) years. SA: Same: 5 years. CA: Same: 5 years.
b. Renewal or extension of the term	FA: Section 2(B) SA: Section 8.1 CA: Section 8.1	FA: You have the right to select one “ Renewal Franchise ” with an additional term of 5 years, if: (a) you are then in full compliance with the Franchise Agreement and all other agreements between you and us or our Affiliates; (b) your store and its equipment meet all specifications and standards for new or renewing franchises; (c) you demonstrate to our satisfaction that you have the right to remain in possession of your store location for the duration of the renewal term; (d) you comply with all of our then-existing qualification and training requirements, if any; (e) you have paid all amounts due to us and our Affiliates; and (f) you comply with the other provisions of Section 2(B) of the Franchise Agreement. SA: Remains in effect until termination of the Franchise Agreement and any renewals thereof. CA: May be renewed by mutual consent and agreement.
c. Requirement for franchisee to renew or extend	FA: Section 2(B) SA: Not applicable CA: Not applicable	FA: You must give us written notice of your election to acquire a Renewal Franchise no earlier than 1 year and no later than 6 months before the Term expires. If you fail to give us notice by the required deadline, we will interpret that to be your election <u>not</u> to acquire a Renewal Franchise and we will take action in reliance thereon. If you satisfy all of the other conditions for a Renewal Franchise, you must pay us, in lieu of an

Provision	Section in franchise or other agreement	Summary
		<p>additional franchise fee, a renewal fee equal to 50% of the franchise fee then in effect for a 5 year term.</p> <p>If you satisfy all of the other conditions for a Renewal Franchise, you must sign the form of franchise agreement and any ancillary agreements we then customarily use for Miniso franchises (modified as necessary to reflect the fact that it is for a Renewal Franchise), which may contain provisions materially different from those contained in any or all parts of the Franchise Agreement. You and your Owners must also execute general releases, in the form provided by us, of any and all claims against us and our affiliates, officers, directors, employees, agents, successors and assigns.</p>
d. Termination by franchisee	FA: Not applicable SA: Not applicable CA: Not applicable	You do not have a right of termination.
e. Termination by franchisor without cause	FA: Not applicable SA: Section 8.2 CA: Section 8.2	<p>SA: Miniso Depot CA, Inc. can terminate the Supply Agreement if you are a party to a merger or reorganization, or in case of your incapacity or death.</p> <p>CA: Miniso Depot CA, Inc. can terminate the Consignment Agreement if you are a party to a merger or reorganization, or in case of your incapacity or death.</p>
f. Termination by franchisor with cause	FA: Section 16 SA: Section 8.2 CA: Section 8.2	<p>FA: We may terminate if you breach or default under the Franchise Agreement, the Consignment Agreement, or the Supply Agreement, where applicable.</p> <p>SA: Miniso Depot CA, Inc. can terminate the Supply Agreement if you cannot pay your debts, Miniso Depot CA, Inc. deems its interests imperiled, or you or otherwise breach the agreement.</p> <p>CA: Miniso Depot CA, Inc. can terminate the Consignment Agreement if you cannot pay your debts, Miniso Depot CA, Inc. deems its interests imperiled, or you or otherwise breach the agreement.</p>
g. "Cause" defined – curable defaults	FA: Section 16(B) SA: Section 8.2 CA: Section 8.2	FA: Under the Franchise Agreement, you have the time period (if any) that the law allows to cure violations of law (unless contesting the liability); 5 days to cure payment defaults; 72 hours to cure violations of any health, safety or consumer

Provision	Section in franchise or other agreement	Summary
		<p>protection laws or regulations; 10 days to cure breaches of insurance compliance obligations; and 30 days to cure any other default not listed below or in Section 16(A) of the Franchise Agreement.</p> <p>SA: If you fail to perform any provision of the Supply Agreement (including failure to pay amounts due), you have 30 days to cure after written notice of such failure.</p> <p>CA: If you fail to perform any provision of the Consignment Agreement (including failure to pay amounts due), you have 30 days to cure after written notice of such failure.</p>
<p>h. “Cause” defined – non-curable defaults</p>	<p>FA: Section 16(A) SA: Section 8.2 CA: Section 8.2</p>	<p>FA: Under the Franchise Agreement, the following defaults may not be cured: (a) failure to timely find an acceptable location for your store or otherwise commence operations on time; (b) making impermissible transfer of your store or the Franchise Agreement; (c) any material misrepresentation or omission in application for a Franchise or in operation of a store; (d) failure to complete the required training; (e) conviction of or plea of no contest to a felonies and other crimes; (f) any unauthorized use, duplication, distribution or disclosure of any Confidential Information or trade secrets; (g) failure on three (3) or more separate occasions during any twelve (12) month period: (i) to submit reports or other data, information or supporting records when due; (ii) to pay amounts due for materials, supplies or services when due; or (iii) to comply with the Franchise Agreement or System Standards; whether or not such failures to comply are corrected; (i) any material unauthorized use of any Mark; (j) any voluntarily or involuntarily filing for bankruptcy; (k) failure to comply with all applicable laws and regulations related to your business; (l) abandonment of the franchise business for 5 or more consecutive days without our written consent; (m) failure to timely relocate your store; and (n) receipt of three (3) or more written notices of default under any other agreement with us or our Affiliates.</p> <p>SA: Under the Supply Agreement, the following defaults cannot be cured: (1) where significant disagreements arise between members/partners of your business entity, such that Miniso Depot CA, Inc. deems its interests imperiled; (2) in case of the incapacity or death of you or your key members;</p>

Provision	Section in franchise or other agreement	Summary
		<p>(3) if you become unable to pay your debts generally as they come due, hold a meeting of creditors, or file bankruptcy; (4) if a trustee or receiver is appointed related to your assets; or (5) if you are a party to an unauthorized merger, consolidation or other reorganization.</p> <p>CA: Under the Consignment Agreement, the following defaults cannot be cured: (1) where significant disagreements arise between members/partners of your business entity, such that Miniso Depot CA, Inc. deems its interests imperiled; (2) in case of the incapacity or death of you or your key members; (3) if you become unable to pay your debts generally as they come due, hold a meeting of creditors, or file bankruptcy; (4) if a trustee or receiver is appointed related to your assets; or (5) if you are a party to an unauthorized merger, consolidation or other reorganization.</p>
<p>i. Franchisee’s obligations on termination / non-renewal</p>	<p>FA: Section 17(A) SA: Section 8.4 CA: Section 8.4</p>	<p>FA: Upon termination of the Franchise Agreement, you must: (a) pay us amounts due; (b) de-identify your Miniso franchise store; (c) cancel assumed or fictitious names; (d) either return to us or destroy all materials and supplies identified by the Marks; (e) discontinue internet domain names, email addresses, and all social media related to Miniso; (f) notify the telephone company and all listing agencies of the termination or expiration of your right to use any telephone, facsimile or other numbers and telephone directory listings associated with any Mark or with the store, and assign such numbers to us or our designee; (g) cease using the Confidential Information, the Marks, and any and all materials associated with your Miniso store; (h) pay us all damages, including attorneys’ fees, incurred to enforce the terms of the franchise agreement; (i) return all copies of any manuals or certify the destruction or deletion thereof; (j) comply with our request to retrieve store assets; and (k) comply with your continuing obligations.</p> <p>SA: Upon demand by Miniso Depot CA, Inc. you must return any unsold products to Miniso Depot CA, Inc. at your expense.</p> <p>CA: Upon demand by Miniso Depot CA, Inc. you must return any unsold products to Miniso Depot CA, Inc. at your expense.</p>

Provision	Section in franchise or other agreement	Summary
j. Assignment of contract by franchisor	FA: Section 18(A) SA: Not applicable CA: Not applicable	FA: We may assign to any person or entity capable of performing our obligations and change our ownership or form.
k. "Transfer" by franchisee – defined	FA: Section 18(B) SA: Not applicable CA: Not applicable	FA: Includes a sale, transfer, assignment, encumbrance, voluntarily, involuntarily (including, without limitation, by levy, attachment, charging order, foreclosure, or other similar proceeding), directly or indirectly, by operation of law (including, without limitation, pursuant to merger, dissolution or divorce proceedings) or otherwise of any interest in the Franchise Agreement, your Miniso store, the franchise's assets, and any Owner's interest in an Entity that is a party to the Franchise Agreement.
l. Franchisor approval of transfer by franchisee	FA: Section 18(B)-(C) SA: Not applicable CA: Not applicable	FA: We have the right to approve all transfers under the Franchise Agreement.
m. Conditions for franchisor approval of transfer	FA: Section 18(C)-(D) SA: Not applicable CA: Not applicable	FA: We have the right to impose the following conditions on any proposed transfer: (a) you and the transferee are in full compliance with Franchise Agreement; (b) the transferee has a credit rating and financial/business qualifications acceptable to us; (c) you pay all amounts owed to us, our affiliates or designees which are then due; (d) the transferee completes required training; (e) you (and your transferring Owners) sign a consent to transfer form and execute a general release; (f) you pay us a transfer fee (See Item 6); (g) we approve of the material terms and conditions of the proposed Transfer; (h) you and your transferring Owners comply with the continuing obligations; (i) the transferee executes our then current form of franchise agreement (which will have a term the duration of which is the remaining term of the Franchise Agreement, unless we elect to start a new 3 year franchise term with the transferee), as well as the supply agreement, the consignment agreement, and any other required agreement; (j) each certificate of ownership in the transferee entity includes a statement that the interests are subject to transfer restrictions in the Franchise Agreement; and (k) the store must have been brought into full compliance with our standards for new Miniso stores. Transfers by a natural person to an Entity one

Provision	Section in franchise or other agreement	Summary
		hundred percent (100%) controlled by that person are not subject to the foregoing, provided that the transferring person remains primarily liable for performance of the Franchise Agreement, appropriate assignment and ownership documents are signed, and other obligations are satisfied.
n. Franchisor's right of first offer to acquire franchisee's business	FA: Section 20 SA: Not applicable CA: Not applicable	FA: If you desire to sell your Miniso franchise store, (whether as a sale of assets or a sale of stock or other equity interests), you must first offer us the opportunity to purchase your store by providing us written notice stating all of the terms of any proposed transfer, including the purchase and sale agreement and related documents. If we reject your offer, you may complete the proposed transaction with the proposed transferee, subject to satisfaction of the conditions in Sections 18(B)-(D) of the Franchise Agreement related to franchise transfers.
o. Franchisor's option to purchase franchisee's business	FA: Section 20 SA: Not applicable CA: Not applicable	FA: If, after you have offered to sell your Miniso franchise to us and we have declined to purchase, you accept an offer from a third party at a lower price and/or terms less favorable to you than previously offered to and rejected by us, then we have the right to buy your Miniso franchise store on the same terms and conditions as the lower offer.
p. Death or disability of Franchisee	FA: Section 19 SA: Section 8.2 CA: Section 8.2	FA: Must transfer to an approved transferee within 6 months. SA: Miniso Depot CA, Inc. may terminate the Supply Agreement in case of the incapacity or death of you or your key members. CA: Miniso Depot CA, Inc. may terminate the Consignment Agreement in case of the incapacity or death of you or your key members.
q. Non-competition covenants during the term of the franchise	FA: Section 15(B) SA: Section 1.6 CA: Section 1.7	FA: During the term of the Franchise Agreement, neither you nor any of your Owners or members of your or their immediate families may directly or indirectly: (a) have any direct or indirect interest anywhere in any Similar Business, or in any entity granting franchises or licenses or establishing joint ventures for the operation of Similar Businesses; (b) provide any financial support or perform any services anywhere as an employee, agent, representative, consultant or in any capacity of any kind for any Similar Business, or for any entity granting franchises or licenses or establishing joint

Provision	Section in franchise or other agreement	Summary
		<p>ventures to operate Similar Businesses; or (c) engage in any other activity which might injure the goodwill of the Marks and/or the System.</p> <p>“Similar Business” means any business or enterprise that markets or sells MINISO products, fast fashion clothing and accessories, other products competitive with or similar to the products offered by Miniso, and other distinctive MINISO sales items and goods where such goods comprise more than twenty percent (20%) of sales for such business/enterprise.</p> <p>SA: During the term of the Supply Agreement, you cannot sell, offer to sell, or promote the goods of any other person that in any way competes with the sale of Miniso’s products.</p> <p>CA: During the term of the Consignment Agreement, you cannot sell, offer to sell, or promote the goods of any other person that in any way competes with the sale of Miniso’s products.</p>
<p>r. Non-competition covenants after the franchise is terminated or expires</p>	<p>FA: Section 15(C) SA: Not applicable CA: Not applicable</p>	<p>FA: For 2 years after the end of your Franchise Agreement, neither you nor any of your Owners or members of your or their immediate families may directly or indirectly: (a) have any direct or indirect interest in any Similar Business within a radius of ten (10) miles of the Accepted Location or of any MINISO Store; (b) provide any financial support or perform any services as an employee, agent, representative, consultant or in any capacity of any kind for any Similar Business within a radius of ten (10) miles of the Accepted Location or of any MINISO Store; (c) have any direct or indirect interest anywhere in, or provide any financial support to, any entity granting franchises or licenses or establishing joint ventures for the operation of Similar Businesses, or perform any services anywhere as an employee, agent, representative, consultant or in any capacity of any kind for any such entity; or (d) solicit or otherwise attempt to induce any of our or our Affiliates’ employees, officers, directors, agents, consultants, representatives, contractors, suppliers, distributors, franchisees or other business contacts to terminate or modify a business relationship with us or to compete against us or our Affiliates.</p>
<p>s. Modification of the agreement</p>	<p>FA: Sections 5, 7, 9, 27, 35</p>	<p>FA: Your Franchise Agreement cannot be modified without the consent of both you and us except we may change or modify franchise</p>

Provision	Section in franchise or other agreement	Summary
	SA: Section 10.2 CA: Section 10.2	<p>policies, the Marks, marketing and advertising requirements, and any Manuals and System Standards.</p> <p>SA: The Supply Agreement cannot be modified absent a signed written consent between the parties. No course of dealing can modify the terms of the Supply Agreement.</p> <p>CA: The Consignment Agreement cannot be modified absent a signed written consent between the parties. No course of dealing can modify the terms of the Consignment Agreement.</p>
t. Integration/merger clause	FA: Section 27 SA: Section 10.9 CA: Section 10.9	<p>FA: Only the Franchise Agreement, each schedule thereto, the Manuals and System Standards, and any addendum and all ancillary agreements signed concurrently with the Franchise Agreement are binding (subject to state law). Such agreements supersede any and all prior and concurrent negotiations, understandings, representations, disclosures and agreements; provided, however, that nothing is intended to disclaim any representation made in this disclosure document.</p> <p>SA: The Supply Agreement embodies the entire agreement with respect to the purchase of products and other inventory from Miniso Depot CA, Inc. to sell in connection with your franchise business.</p> <p>CA: The Consignment Agreement embodies the entire agreement with respect to the consignment of products for your franchise business.</p>
u. Dispute resolution by arbitration or mediation	FA: Section 30 SA: Section 9 CA: Section 9	<p>FA, SA, CA: All disputes arising under the Franchise Agreement, Supply Agreement, and Consignment Agreement must be resolved by arbitration in Los Angeles, California, in accordance with the then prevailing Commercial Rules of the American Arbitration Association, except that we and you each have the right in a proper case to obtain temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction. Prior to arbitration, we each agree to go to mediation to attempt to resolve any claims. If arbitration ensues, the prevailing party will be entitled to recover its attorneys' fees and costs, including expert witness fees and costs. Any arbitration proceedings and ensuing awards must be kept confidential, except for such disclosure as may be required by law. Any claims which would constitute a compulsory</p>

Provision	Section in franchise or other agreement	Summary
		counter-claim must also be filed in arbitration or be barred. The arbitration decision shall be binding and conclusive on each of the parties. Waiver of punitive or exemplary damages, waiver of the right to file a class action, and waiver of any objection to personal jurisdiction or venue in Los Angeles County, California. Refer to applicable state specifics on these terms at Exhibit A-1.
v. Choice of forum	FA: Section 29(B) SA: Section 9 CA: Section 9	FA, SA, CA: Subject to arbitration obligations, litigation under the Franchise Agreement, Consignment Agreement, and Supply Agreement shall be in state and/or federal courts in Los Angeles County, California. Refer to applicable state specifics on these terms at Exhibit A-1.
w. Choice of law	FA: Section 29(A) SA: Section 10.13 CA: Section 10.13	FA, SA, CA: Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other Federal or state law, the Franchise Agreement, Consignment Agreement, and Supply Agreement, and all claims arising from the relationship between you and us and our affiliates shall be governed by the laws of the state of California, without regard to its conflict of laws rules. This may be superseded by state law. Refer to applicable state specifics on these terms at Exhibit A-1.

Applicable state law might require additional disclosures related to the information contained in this Item 17 and elsewhere in this Disclosure Document. These additional disclosures, if any, appear in Exhibit A-1.

ITEM 18

PUBLIC FIGURES

We currently do not use any public figures to promote the Miniso franchise in the United States, but we reserve the right to do so in the future.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee’s future financial performance or the financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Shines Shen at 200 S. Los Robles Ave, Suite 200, Pasadena California 91101, or by telephone at (626) 463-4251. You may also contact the Federal Trade Commission and the appropriate state regulatory agency.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

**System-wide Franchise Summary
For years 2017 to 2020**

Column 1 Franchise Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2018	0	1	1
	2019	1	4	3
	2020	4	4	0
Company Owned*	2018	6	31	25
	2019	31	32	1
	2020	32	26	6
Total	2018	6	32	26

	2019	32	36	4
	2020	36	30	6

* We do not own any Miniso retail stores, but our affiliates, Miniso Depot CA, Inc. and Miniso Depot Financial, Inc., own them.

Table No. 2

For years 2017 to 2020

Column 1 State	Column 2 Year	Column 3 Number of Transfers
CA	2018	0
	2019	0
	2020	0
Total	2018	0
	2019	0
	2020	0

Table No. 3

**Status of Franchised Outlets
for years 2017 to 2020**

Col. 1 State	Col. 2 Year	Col. 3 Franchises at Start of Year	Col. 4 Franchises Opened	Col. 5 Terminations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations for Other Reasons	Col. 9 Franchises at End of the Year
CA*								
	2018	0	1	0	0	0	0	1
	2019	1	1	0	0	0	0	2
	2020	2	0	1	0	0	0	1
FL	2019	0	2	0	0	0	0	2
	2020	2	0	0	0	0	0	2
NV	2020	0	1	0	0	0	0	1
Totals	2018	0	1	0	0	0	0	1
	2019	1	3	0	0	0	0	4
	2020	4	1	1	0	0	0	4

Table No. 4**Status of Company-Owned Outlets*
for years 2017 to 2020**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Reacquired by Franchisor	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisees	Col. 8 Outlets at End of the Year
CA							
	2018	6	25	0	0	0	31
	2019	31	1	0	0	0	32
	2020	32	1	0	7	0	26
Totals	2018	6	25	0	0	0	31
	2019	31	1	0	0	0	32
	2020	32	1	0	7	0	26

Notes

* We do not own any Miniso retail stores, but our affiliates, Miniso Depot CA, Inc. and Miniso Depot Financial, Inc., own them.

Table No. 5**Projected Openings as of December 31, 2020**

Column 1 State	Column 2 Franchise Agreements Signed but Franchise Not Opened	Column 3 Projected New Franchises in the Next Fiscal Year	Column 4. Projected New Company-Owned Outlets in the Next Fiscal Year
AR			
CA		6	
FL		3	
IL			
MA		2	
NV			
NJ		4	
NC			

NY		4	
OH			
PA		1	
RI			
SC			
TN			
TX		1	
UT			
VA		2	
WA		3	
WI			
MD		1	
CT		1	
Total		28	

Notes

* We do not, and will not, own any Miniso retail stores, but our affiliates, Miniso Depot CA, Inc. and Miniso Depot Financial, Inc., do and will own them.

Current Franchisee Contact Information

The contact information for current franchisees is as follows:

1. Skylife Global LLC – 730 W. Sand Lake Rd., #110, Orlando, FL 32809; tel: (407) 601-1392
2. Ruige Orlando LLC – 451 E. Altamonte Dr. #2241, Altamonte Springs, FL 32701; tel: (321) 972-1002
3. Miniso Depot Milpitas LLC – 447 Great Mall Dr, #292, Milpitas, CA 95035; tel: (408) 384-8278
4. Jinfan Inc. – 4276 Spring Mountain Rd, Suite 103B, Las Vegas, NV 89102; tel: (702) 333-0927

Former Franchisee Contact Information

In the most recently completed fiscal year, one franchisee ceased to conduct business and was terminated:

Miniso Ontario Mills LP
Attn: Scott Wen Cheng Chang
City of Industry, California

Phone number: (626) 965-7788

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

ITEM 21

FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit E is our Independent Auditor's Report of audited financial statements for years-ending December 31, 2018, December 31, 2019, December 31, 2020 and unaudited financial statements for our fiscal quarter ended June 30, 2021.

Our next fiscal year ends December 31, 2021.

ITEM 22

CONTRACTS

The following contracts, agreements and other relevant documents are attached as Exhibits to this Franchise Disclosure Document:

- Exhibit A Miniso Franchise Agreement;
- Schedule A. Franchisee Owners, Designated Owner and Accepted Location;
- Schedule B. Guarantee and Assumption of Obligations;
- Schedule C. Current Form of Releasing Language;
- Schedule D. ADA and Related Certifications;
- Schedule E. Owner Non-Compete, Non-Disclosure and Confidentiality Agreement (Non-California Franchisees);
- Schedule F. California Addendum and Owner Non-Compete, Non-Disclosure and Confidentiality Agreement (California Franchisees);
- Schedule G. Collateral Assignment of Lease.
- Exhibit A-1 State Addenda to Franchise Agreement;
- Exhibit A-2 Appendix of Negotiated Sales;
- Exhibit B Consignment Agreement; and
- Exhibit C Supply Agreement.

ITEM 23

RECEIPT

The last page of the Disclosure Document is a detachable document acknowledging receipt of the Disclosure Document by you. The Acknowledgment of Receipt by the Prospective Franchisee is attached as Exhibit G.

FRANCHISE AGREEMENT

EXHIBIT A

MINISO DEPOT FRANCHISOR LLC
FRANCHISE AGREEMENT

Franchisee: _____

Effective Date of Agreement: _____

Expiration Date: _____

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SCHEDULES:

- A. Franchisee Owners, Designated Owner and Accepted Location
- B. Guarantee and Assumption of Obligations
- C. Current Form of Releasing Language
- D. ADA and Related Certifications
- E. Owner Non-Compete, Non-Disclosure and Confidentiality Agreement (Non-California Franchisees)
- F. California Addendum and Owner Non-Compete, Non-Disclosure and Confidentiality Agreement (California Franchisees)
- G. Collateral Assignment of Lease

**MINISO DEPOT FRANCHISOR LLC
FRANCHISE AGREEMENT**

This Franchise Agreement ("this Agreement") is made and entered into on _____, 20__ (the "Effective Date") by and between MINISO DEPOT FRANCHISOR LLC, a California limited liability company with its principal address at 200 S. Los Robles Ave, Suite 200, Pasadena, CA 91101 ("Franchisor"), and _____, a _____ with a principal address of _____ ("Franchisee").

RECITALS

Franchisor is licensed by USA MINISO DEPOT, INC. ("Licensor") a Franchisor Associate, to grant franchises involving a distinctive system for the operation of a brick and mortar retail store offering and selling household consumer products, clothing, and accessories under the MINISO brand, as designated by the Franchisor (the "Miniso System" or "System"). The System includes the Miniso trademarks (the "Marks"), training programs and materials, product and supplier resources, store management services and techniques, branded packaging and proprietary products, operations methods and techniques, proprietary information and trade secrets and manual(s), if any, (individually and collectively, the "Manual"), as well as know-how regarding the operation and management of a Miniso retail outlet. Franchisee wants to obtain a franchise to invest in a retail outlet using the System and providing the products and services approved by Franchisor for sale under the Marks (a "MINISO Store" or "Store"). Franchisor is willing to grant Franchisee a Miniso franchise on the terms contained in this Agreement (the "Franchise").

Certain capitalized terms used in this Agreement are defined in Section 37, below. The parties agree as follows:

AGREEMENT

1. Grant of Franchise.

A. Grant. Franchisor grants to Franchisee, and Franchisee accepts, the non-exclusive right to use the System and Marks only for the establishment and operation of a retail Store using and selling Franchisor-approved Products and Services from the Accepted Location (the "Franchised Business"). The Accepted Location, as defined in Section 3 A., below, is to be identified on Schedule A to this Agreement, which is a part of this Agreement. Franchisee shall not open or operate any additional Stores or engage in any resale and/or sublicensing or franchising of the Marks, System, any Manual, or any other elements of the Franchise. Franchisee shall not provide any Products or Services from or at a location other than the Accepted Location, except as authorized in writing by Franchisor in its sole discretion. Franchisee must not conduct any activities from or at the Store other than the operation of a MINISO Franchised Business without Franchisor's prior written consent.

B. No Grant of Territory; Rights Reserved by Franchisor and Franchisor Associates.

i) Except as may be agreed in a signed writing between Franchisor and Franchisee, Franchisee acknowledges and agrees that the Franchisee's license to use the Marks and the System as provided in this Agreement is non-exclusive. Franchisee is not awarded an "exclusive territory" or any "exclusive," "protected" or "reserved" territorial rights under this Agreement. No such rights are granted or will be inferred. Franchisor and Franchisor Associates, as defined in Section 37, below, have the right to locate, and to license others to locate, and operate anywhere MINISO Stores or any other kinds of businesses under the Marks or any other brand, regardless of their proximity to or competition with Franchisee's Store. Franchisor and Franchisor Associates have the right to use, and to license others to use, any distribution channels of any type for the sale of any and all kinds of goods and services, including, but not limited to, large department stores, grocery outlets, and the Internet, whether or not using the Marks or System. Franchisee has no right to exclude any businesses, regardless of their proximity to or competition with Franchisee. Franchisor and Franchisor Associates also can develop or become associated with other concepts, including dual branding and/or other license/franchise systems, for any kind of products and/or services, whether or not using the Miniso System and/or the Marks, in Franchisor's sole and absolute discretion.

ii) Franchisor, Licensor and Franchisor Associates can acquire, be acquired by, merge, affiliate or co-brand with, or engage in any transaction with other businesses with outlets located anywhere, whether or not competitive or franchised. Franchisee agrees to participate at Franchisee's expense in any brand/chain conversion, as Franchisor requires.

iii) Franchisor, Licensor and Franchisor Associates reserve all rights not expressly granted to Franchisee or expressly precluded under this Agreement.

C. Choice of Franchise Models.

- i) If this Agreement is awarded for a new Franchise, the Franchise will be set up according to our _____ Model A program, or _____ Model B program [CHECK ONE].
- ii) **Model A.** "Model A" is a consignment-based model in which Franchisee will be provided with all of the Miniso-branded and non-branded products on a consignment basis. Under Model A, Franchisee shall enter into the Consignment Agreement in accordance with Section 4.A, below.
- iii) **Model B.** "Model B" is a purchased-inventory model, in which Franchisee will purchase all of the Miniso-branded and non-branded products to be sold in Franchisee's store; products will not be provided to Franchisee on a consignment basis. Under Model B, Franchisee shall enter into the Supply Agreement in accordance with Section 4.B, below.

2. Term and Renewal.

A. Term. The Term of this Agreement shall be as follows:

- i) If this Agreement is awarded for a new Franchise, the term starts on the Effective Date and expires on the fifth (5th) anniversary of the Effective Date (the "Initial Term"). If a Letter of Intent is issued by Franchisor to Franchisee prior to the execution of this Agreement, the Initial Term of the Franchise will not start to run until the Effective Date of this Agreement. Letters of intent are not intended to be, nor shall they be construed as, a binding document.
- ii) If Franchisee is entering the Franchised Business as a transferee of an existing Franchise, then the term will, at Franchisor's option, either be three (3) years or will end on the expiration date of the transferor's franchise agreement.
- iii) The term of any successor ("Renewal") Franchise Agreement is established under the preceding, expired franchise agreement.

The applicable Expiration Date appears on the cover page of this Agreement. Regardless of the stated Expiration Date, this Agreement can be terminated sooner as provided in Section 16.

B. Renewal. Subject to the provisions of Section 2 D., below, Franchisee has the right to a successor Franchise at the expiration of an Initial Term of the Franchise for one additional five (5) year term, so long as Franchisee satisfies the following conditions before and at Renewal, as required by Franchisor. Franchisee shall:

- i) be in full compliance with this Agreement, the mandatory terms of any Manual and any and all other agreements with Franchisor, Licensor and any Franchisor Associate;
- ii) by the Expiration Date of this Agreement have brought the Store and its Equipment and other operating assets into full compliance with the specifications and standards then applicable for a new or renewing Store, as established by Franchisor, including any Store Update then required by Franchisor for Franchisee's Store to meet then current standards and specifications;
- iii) prove to Franchisor's satisfaction that Franchisee has the right to remain in possession of the Store premises for the duration of any Renewal term;
- iv) comply with Franchisor's then-current qualification and training requirements, if any;
- v) have given written notice of Franchisee's desire to renew to Franchisor at least one hundred eighty (180) days, but not more than three hundred sixty five (365) days, before the Expiration Date of the Initial Term;
- vi) have paid all amounts due to Franchisor, Licensor and any Franchisor Associate up to and through any Renewal date;
- vii) have signed, along with all Franchisee Owners (if Franchisee is a Business Entity) and any Franchisee Affiliates, a General Release in favor of Franchisor, Licensor and Franchisor Associates and related persons in a form specified by Franchisor;
- viii) have paid Franchisor by the Expiration Date fifty percent (50%) of the amount of the Franchise Fee then in effect for a new five (5) year term; and
- ix) have signed Franchisor's then-current form of franchise agreement, Renewal addenda, and/or extension agreement, as then required by Franchisor in its sole discretion, and any related documents then customarily used by Franchisor for a Renewal Franchise, the terms of which may differ from the terms of this Agreement in material ways (including possibly different payment amounts or arrangements and new fee requirements), and paid any franchise fees, deposits, or other amounts as then required by Franchisor. Any new form of franchise agreement may be modified to the extent Franchisor deems appropriate to reflect the grant of the Renewal term.

C. Notice of Deficiencies; Franchisor Extension. Within ninety (90) days after receipt of Franchisee's written renewal notice, Franchisor shall provide Franchisee with written notice of i) any reasons that could cause Franchisor not to permit Renewal; and ii) Franchisor's then-current image, facility standards and other requirements for the Store or its operations. Franchisor's award of a successor Franchise to Franchisee is conditioned on Franchisee's timely compliance with these requirements as prescribed in the notice and all terms of this Agreement. Franchisor can extend the term of this Agreement in its sole discretion to be consistent with the terms of any such notice or to comply with applicable franchise laws. Franchisor is not obligated to grant Franchisee a successor franchise if Franchisee fails to deliver to Franchisor a notice of election to renew, as provided in Section 2 B. v), above.

D. Market Withdrawal. If Franchisor publishes an announcement that it has determined that continued franchising in the state, region or standard metropolitan statistical area (as established by the United States Office of Management and Budget) within which Franchisee's Store is located is not appropriate for reasons that relate to Franchisor's economic or other interests and that it is withdrawing from franchise activity in such state/region/area, then Franchisor will be considered to have made a general market area withdrawal, will have no liability to Franchisee therefore and will not be required to offer Franchisee any renewal Franchise or similar rights (a "Market Withdrawal"). In that event and if Franchisee is not in default of this Agreement, Franchisee will not be required to comply with its non-competition obligations under Section 15 C., and Franchisor shall not prevent Franchisee from retaining control of the principal place of the Franchised Business. Franchisee agrees that if any statute or court decision requires "good cause" (or any similar standard) for non-renewal, Franchisor's compliance with the provisions of this clause will be deemed to be good cause.

3. Store Location and Development

A. Proposed Store Locations and Site Review; Franchisor's Written Acceptance Required. Franchisee shall operate a Store at a location accepted by Franchisor (the "Accepted Location"). If the Accepted Location has not been identified at the time this Agreement is signed, Franchisee must notify Franchisor in writing of a proposed location and review the specifics of the site with Franchisor. If Franchisor reasonably determines that the site warrants further consideration, Franchisor may schedule a site review with Franchisee, which shall be held on-site and at mutually acceptable dates and times. Franchisee shall pay for all of Franchisor's travel and lodging expenses incurred in connection with any site visits. Any acceptance of a proposed site by Franchisor must be in writing and shall not be, nor be construed to be, any representation or warranty as to the suitability of the location for the Franchised Business or of its possible success. The minimum size of a franchise store is typically 2,500 square feet. Franchisee is solely responsible for identifying a suitable location for the Store and for obtaining Franchisor's written acceptance of the proposed location and entering into the relevant lease agreement within one hundred twenty (120) days of the Effective Date of this Agreement. If Franchisee and Franchisor do not agree on an Accepted Location and the lease agreement for Franchisee's store is not signed within one hundred twenty (120) days of the Effective Date of this Agreement and Franchisor has not granted a written time extension, Franchisor can elect to terminate this Agreement and return any Initial Franchise Fee paid by Franchisee, less any amounts incurred by Franchisor for travel and lodging to visit proposed sites to compensate Franchisor for its administrative expenses, so long as Franchisee and Franchisee Owner(s), if applicable, sign a mutual termination agreement and a General Release in a form satisfactory to Franchisor. The Post-Termination Provisions of this Agreement will survive such mutual termination. Franchisee shall not make any site commitments before obtaining Franchisor's written consent to the site. Any proposed relocation of Franchisee's Store also requires Franchisor's written acceptance and will be subject to the same review, leasing and development requirements described in this Section 3 as are applicable to Franchisee's initial Accepted Location.

B. Lease Related Matters. Franchisee agrees to submit any lease and all site-related documents to Franchisor for review prior to their execution. Franchisor may condition its decision regarding the location of the store on a lease addendum or other appropriate site-related documents containing some or all of the following terms, in Franchisor's sole discretion. The lessor must: i) provide upon request sales and other operations information related to Franchisee's Store; ii) permit Franchisor and Franchisee to operate the Store in accordance with this Agreement; iii) require that the Store premises be used only for the operation of the Store, and prohibit Franchisee's assignment or modification of any lease term or other rights without Franchisor's prior written consent; iv) give Franchisor copies of any written notices to Franchisee (whether of default or otherwise) and the right to cure any default if Franchisor so chooses; v) give Franchisor the right to enter the Store during normal business hours for purposes of inspection to take steps to protect the Marks and Trade Dress and/or prevent/cure any default; and vi) give Franchisor a right to take assignment and possession of the Store under the Collateral Assignment of Lease attached as Schedule G. Franchisee must deliver to Franchisor a copy of the signed lease or sublease and Collateral Assignment of Lease within five (5) days after their execution. Franchisor's review of a lease or purchase agreement, or any advice or recommendation offered by Franchisor, is not and shall not be construed as a representation or guarantee that

Franchisee will succeed or an expression of Franchisor's opinion regarding the lease terms. Franchisee acknowledges and agrees that Franchisee shall solely rely on Franchisee's review of any such lease and is encouraged to review the same with a competent attorney.

C. Store Development. Franchisee must meet any Store development standards and specifications Franchisor establishes, which may relate to Store design, decoration, facility layout, equipment, furniture, fixtures, signs and other items for the Store. Franchisor shall not be responsible for providing Franchisee with detailed architectural or construction drawings or design services for the Store, except as may otherwise be agreed in writing between Franchisee and Franchisor. Franchisee shall engage a licensed designer to prepare construction drawings and plans. Franchisee shall obtain Franchisor's prior written approval of site specific drawings/plans before beginning construction. Franchisee must engage a competent licensed general contractor to build out the Store. Franchisee shall cooperate with and permit Franchisor or its designees to enter the Store premises during normal business hours, with prior notice to Franchisee and without causing any undue interruption, to inspect and evaluate any Store construction for compliance with System Standards and other Franchise requirements. Franchisor or its designee will give Franchisee notice of any deficiencies, and Franchisee agrees to correct them promptly at Franchisee's expense, subject to the terms and conditions of this Agreement. Except as may otherwise be agreed in writing between Franchisee and Franchisor in a separate contract, all matters related in any way to Franchisee's site, its development, construction and equipment are Franchisee's sole responsibility, including related costs and expenses. If Franchisee and Franchisor enter into a separate written agreement to coordinate the renovation of Franchisee's store on Franchisee's behalf, Franchisee shall remain responsible for the fees associated with all store construction and renovation, as well as compliance with all local ordinances, building codes, and permit obligations. Franchisee will be responsible for hiring an architect and contractor to renovate, remodel and/or construct the store pursuant to the plans and store design reviewed and approved by Franchisor. Franchisor reserves the right to conduct on-site or remote inspections before, during, and after construction. Franchisee must purchase or lease and install all Equipment, signage, supplies and inventory Franchisor requires prior to opening the Store. The Store must comply with all applicable local, state, and federal laws, including without limitation the Americans with Disabilities Act ("ADA"). Franchisee must deliver to Franchisor an ADA Certification in the form attached to this Agreement as Schedule D before the Store can open. Except as may otherwise be agreed in writing between Franchisee and Franchisor in a separate contract, Franchisee is solely responsible for identifying and obtaining all required building, utility, sign, health, sanitation, and other business permits and licenses required for the Store. Any proposed revisions to the Store premises and plans as previously approved by Franchisor must be submitted to Franchisor for review for consistency with development standards and for Franchisor's prior written authorization.

D. Opening Requirements. Franchisee must occupy the Accepted Location and be open for business to the general public as a Miniso Store within three hundred sixty five (365) days of the Effective Date of this Agreement (the "Opening Period Deadline"), unless otherwise authorized by Franchisor in writing. Franchisor can terminate this Agreement if Franchisee fails to comply with the Opening Period Deadline, in its sole discretion. Prior to opening and for so long as Franchisee has a Miniso Franchise, Franchisee shall obtain and maintain all insurance, licenses, permits and approvals needed to conduct the Franchised Business lawfully at the Store and in compliance with this Agreement; make leasehold improvements; if opening a store under our Model A program, enter into the Consignment Agreement with MINISO DEPOT CA, INC. ("Consignor") to obtain on a consignment basis delivery of the Miniso products to be sold in the Franchisee's store; if opening a store under our Model B program, enter into the Supply Agreement with MINISO DEPOT CA, INC. ("Seller") to purchase the Miniso products to be sold in the Franchisee's store; and obtain and install all necessary Computer Systems, Equipment, Products and other inventory and furnishings needed to start and operate the Store in compliance with all applicable Franchisor standards and specifications, this Agreement, and all other required agreements. Franchisee shall not open its Store to the public without Franchisor's prior written authorization, which shall require that i) all Initial Franchise Fees and any other amounts due Franchisor and any Franchisor Associate have been paid; ii) Franchisor has determined that the Store development requirements have been met to Franchisor's reasonable satisfaction, and Franchisee has signed and delivered a copy of the Consignment Agreement (under Model A) to Franchisor and Consignor, and a copy of the Supply Agreement (under Model B) to Franchisor and Seller; iii) certificates of insurance coverage consistent with Section 14 A., below, have been received by Franchisor; and iv) Franchisee has completed pre-opening training requirements, if any, to Franchisor's reasonable satisfaction.

E. Material & Equipment Fees. In connection with the construction, renovation, and/or build-out of Franchisee's store, Franchisee must pay our affiliate, Miniso Depot CA, Inc., a Material & Equipment Fee. The amount of the Material & Equipment Fee will vary depending on a number of factors, including the geographic location of the store, the size of the store, and the economic climate for the materials and equipment items that Franchisee will need to purchase to open the store. The Material & Equipment Fee will cover the following items for the franchise store: all necessary office equipment and supplies; all store fixtures, including display racks, product display baskets, and boxes; spectacle display furniture; tableware furniture; shelving; U Pillow barrel; nail polish displays; makeup cotton baskets; jewelry display furniture; promotional materials; interior and exterior signage;

cosmetic table; refrigerator; cashier desk and cabinets; umbrella fixtures; promotional display boxes; shopping baskets; one dedicated telephone line; store cameras; store lighting; hooks, bars, and brackets; wooden product display boards; uniforms for staff; one flat screen television for the store; and all other furniture needed to display Miniso products. Also included in the Material & Equipment Fee is the cost of purchasing the Computer System (defined in Section 12 B), which includes all store computers, Miniso's retail point of sale (POS) system, and all other operating systems and databases necessary to operate the franchise. In addition, because the franchise store will need to maintain at least one dedicated telephone line, the cost to purchase a telephone is included in the Material & Equipment Fee. The cost to maintain telephone service and high speed internet access, which is required for all franchise stores, is not included in the Material & Equipment Fee. If Franchisee desires to purchase any material or equipment locally, Franchisee must submit a prior written application to Franchisor for approval. Only after receiving written approval from Franchisor may Franchisee purchase materials or equipment separate from the items sold by Miniso Depot CA, Inc.

4. Consignment Agreement, Supply Agreement, and Training Programs.

A. Consignment Agreement. This Section 4.A applies only to Franchisees under the Model A program. Prior to opening and for so long as Franchisee has a Miniso Franchise, Franchisee shall also enter into and be subject to the Consignment Agreement with Consignor, who will be responsible for providing to Franchisee on a consignment basis the Miniso branded and non-branded goods and products to be sold in Franchisee's store. Franchisee is responsible for compliance with all terms and conditions of the Consignment Agreement, including payment to Consignor of the initial Merchandise Deposit, a percentage of revenue earned from sales of Miniso products, and all other expenses set forth therein. Franchisee's breach of the Consignment Agreement shall constitute good cause to terminate this Agreement.

B. Supply Agreement. This Section 4.B applies only to Franchisees under the Model B program. Prior to opening and for so long as Franchisee has a Miniso Franchise, Franchisee shall enter into and be subject to the Supply Agreement with Seller. Franchisee is responsible for compliance with all terms and conditions of the Supply Agreement, including payment to Seller of the inventory for the franchise store, the material and equipment fee, and all other expenses set forth therein. Franchisee's breach of the Supply Agreement shall constitute good cause to terminate this Agreement.

C. Training Programs.

i) **Initial Training Program.** The person identified on Schedule A as Franchisee's Designated Owner must have an equity interest in the Franchised Business and must successfully complete Franchisor's Initial Training Program and obtain all applicable state or local certifications required for the operation of the Franchised Business. The Designated Owner must identify and supervise at least one other manager ("Store Manager"). All Store Managers must successfully complete the Initial Training Program, plus an additional management training to be provided by Franchisor. This additional mandatory training program for store managers consists of on-the-job training, classroom training, and online training, depending on the skill and experience of the Store Manager. The on-the-job and classroom portion of the training program will take place in southern California, or, subject to Franchisor's approval, may take place at store location of Franchisee, with associated costs of travel, lodging, and other incidentals to be borne by Franchisee. Franchisee agrees to train all other Store staff in the skills and subject areas required of their positions and to ensure sufficient staff is on Store premises during all operating hours. Franchisor shall make an Initial Training Program available to the Designated Owner and Store Manager without charging initial training fees, all of whom shall participate in the program at the same time. Franchisor can choose to eliminate or shorten the Initial Training Program for persons who have previously participated or who have comparable experience in Franchisor's sole estimation. Franchisee will be responsible for all travel, living, incidental and other expenses Franchisee and Franchisee's personnel incur while attending an Initial Training Program and any other instructional or informational programs, remedial training, seminars or meetings/conventions Franchisor may provide. Franchisee is solely responsible for hiring sufficient personnel to adequately staff each Store. If any Store is not operating according to System Standards, Franchisor reserves the right to require the Designated Owner and/or any applicable Store Manager to participate in remedial initial training instruction. Franchisee is responsible for payment to Franchisor of the then current fee for any such remedial instruction, as published in any Manuals or through other written communication to Franchisees, as well as for any incidental costs that Franchisor and/or Franchisor's personnel may incur, such as lodging, transportation, and other related expenses.

ii) **Additional Programs and Possible On-Site Assistance.** Additional training services or programs, if any, shall be offered at Franchisor's sole discretion, including optional training following the opening of the Franchised Business. Franchisor can charge a reasonable fee for any additional instructional programs, the amount of which will be published in any Manuals to the extent applicable. On site consultation services may be available in Franchisor's sole discretion and subject to Franchisor availability. Franchisee must pay Franchisor's then

current consulting fee and any incidental expenses incurred by Franchisor's personnel participating in any such additional on-site consultation, including, without limitation, costs of transportation, lodging, and other living expenses. Franchisor can require the Designated Owner, Store Managers, as applicable, to attend additional programs offered on-line or at Franchisor headquarters or another location selected by Franchisor from time to time so they remain up to date on Products and Services and brand standards. Franchisee will be required to pay any then current participation fees, as published in any Manual or through other written communication to Franchisees. Franchisee is responsible for all incidental costs that Franchisor and/or Franchisor's personnel may incur in connection with any training program, such as lodging, transportation, and other related expenses.

5. Marks.

A. Goodwill and Ownership of Marks. Licensor developed at great expense and owns or is licensed to sublicense all of the elements of the System and the Marks. Franchisor is licensed to grant to Franchisee, and Franchisee is hereby granted, a non-exclusive right to use the Marks and System as expressly authorized under this Agreement. Nothing in this Agreement grants Franchisee any right, title or interest in the Marks or System, and Franchisor and Licensor have all rights in and to the Marks and System. All goodwill related to the Marks belongs exclusively to Franchisor or Licensor and any use of the Marks by Franchisee inures to Franchisor's/Licensor's benefit. Franchisee agrees not to oppose or engage in any acts or omissions inconsistent with this Agreement or Franchisor's/Licensor's rights in and to the Marks. This Agreement applies to all trademarks, service marks and other commercial symbols that Franchisee may be authorized to use under this Agreement throughout the Term.

B. Limitations and Use of Marks. Franchisee agrees to do business under "MINISO" and such other Marks as Franchisor may prescribe. MINISO and its trademarked logos shall be the sole identifiers for Franchisee's Store and displayed without any accompanying words or symbols, other than as may be approved by Franchisor in its discretion. Franchisee will not use any Mark, or modified version or derivative of a Mark, as part of its legal name or any other business entity name. Franchisee shall give such trademark registration and other notices, including notices of independent ownership, as Franchisor directs and shall obtain fictitious or assumed name registrations as may be required under law. Franchisee will display the Marks in compliance with Franchisor's requirements and will not use the Marks so as to negatively affect their goodwill. Franchisee agrees not to use any Mark in connection with the performance or sale of any unauthorized services or products or at any location or in any other manner not authorized in writing by Franchisor. Franchisee agrees not to use any Mark on or in connection with any web site/page, domain name, site directory, e-mail address or other electronic display/use, without Franchisor's advance written consent, which Franchisor has an unrestricted right to withhold. Franchisee agrees to use for the Store as required any email address assigned by Franchisor. Franchisee will comply with all policies and requirements established by Franchisor regarding Internet key word purchases, social network pages, e-mail protocol, web pages, websites, videos, digital content or any other publication on the Internet in which the Marks are used or mentioned. Upon termination or expiration of this Agreement, Franchisee will cease all use of the System and all use of the Marks in all media, including, but not limited to, web-sites, web pages and social media. Franchisee will instruct in writing all online directories, search engines, and other advertising publishers as necessary to take down and remove any directory listings and advertisements for Franchisee containing the Marks and will not use or authorize the use of links or similar reference devices associated with any use of the Marks. Franchisee will deliver copies of such instructions to Franchisor within three (3) days of the termination or expiration of this Agreement, and hereby authorizes Franchisor to send such notices and instructions to such media, as applicable, if Franchisee fails to do so within such three (3) day period. These requirements survive the termination or expiration of this Agreement. Franchisee agrees that electronic commerce is a rapidly developing field and that Franchisor can impose conditions and requirements in addition to the provisions of this Section 5 B. and may establish and modify policies concerning use of the Internet and various media, and Franchisee will comply with all such policies.

C. Notification of Infringements and Claims. Franchisee agrees not to take any action that jeopardizes Franchisor or Licensor's interests in, or the validity or enforceability of, the Marks. Franchisee agrees to immediately notify Franchisor of any apparent or actual infringement of, or of any challenge to Franchisee's use of, the Marks. Franchisor or Licensor will take such action as either of them deems appropriate in its sole and absolute discretion. As owner of the Marks, Licensor has the exclusive right to control any settlement, litigation or proceeding arising out of or related to any such matters and shall be entitled to all damages awarded based on infringement of any Mark. Franchisee shall cooperate with Franchisor and Licensor to protect Franchisor's/Licensor's interests in the Marks and shall assist Franchisor or Licensor in connection with any litigation involving the Marks to the extent requested by and at the expense of Franchisor or Licensor, as applicable. Franchisor is not required to defend Franchisee and/or indemnify Franchisee for expenses or damages if Franchisee is a party to an administrative or judicial proceeding involving the Marks. Franchisee must not directly or indirectly contest Franchisor's right to the Marks, any trade secrets, and/or any business techniques that are part of the Franchised Business.

D. Changes in Marks. Franchisor can require Franchisee to discontinue, modify, substitute or add any Mark, and Franchisee will comply at Franchisee's expense within thirty (30) days of receipt of notice thereof. Franchisor cannot and does not guarantee that a modification, discontinuance or other change may not be required at any time for any reason. Franchisor and Franchisor Associates will not have any liability or obligation to Franchisee for or related to any modification, discontinuance, substitution, change or otherwise in connection with or to any Marks.

6. Ownership and Use of Copyrights.

Franchisee acknowledges and agrees that Franchisor owns or is the licensee of works, or may become the owner or licensee of works, that are protected by copyright law and that Franchisor may create, acquire or obtain licenses for additional works subject to copyright law that Franchisee may use in operating the Store (the "Copyrighted Works"). The Copyrighted Works include any Manual, training programs and materials, product and supplier resources, store management services and techniques, branded packaging and proprietary products, operations methods and techniques, proprietary information and trade secrets and manuals, advertisements and promotional materials developed by or licensed to Franchisor. Franchisee shall notify Franchisor immediately on learning of any unauthorized use of any of the Copyrighted Works. Franchisor and its Licensor, as applicable, shall have the right, but not the obligation, to take such action as they deem appropriate, if any, with regard to the possible unauthorized use. Franchisee shall reasonably cooperate with Franchisor to protect Franchisor's/its licensor's interests in the Copyrighted Works.

7. Manual.

A. Manual Publication. While Franchisor has no obligation to produce a manual or a similar document, if Franchisor chooses to publish any Manual, Franchisor shall provide to Franchisee one (1) copy of any such Manual. Franchisor can choose to provide Franchisee with a hard copy of, or electronic, on-line access to, any Manual, which may consist of one (1) or more separate manuals and other materials as designated by Franchisor. Any Manual will contain mandatory and suggested specifications, standards, and operating procedures that Franchisor develops for a Store and information related to other obligations of a Miniso franchisee. Franchisor has the right to add to and otherwise modify a Manual in any manner, and Franchisee will comply with any mandatory changes as specified by Franchisor and at Franchisee's sole expense. Any such modifications Franchisor may make to the Manual will be effective upon their delivery to Franchisee, unless Franchisor specifies a later effective date for a particular modification. Franchisee must keep its copy of the Manual current by immediately inserting all new and/or modified pages, and/or by maintaining an updated electronic copy of the Manual. Franchisor's master copy of any Manual will control in the event of any dispute regarding the Manual. As of the Effective Date of this Agreement, Franchisor has published the MINISO Operation Standards Manual and will provide one (1) copy to Franchisee.

B. Franchisee's Control. Franchisor and Franchisee acknowledge and agree that Franchisor neither dictates nor controls labor or employment matters for Franchisee and Franchisee employees, including, but not limited to, hiring, firing and/or discipline of Franchisee employees, or the manner and means by which they carry out their duties. Franchisee is solely responsible for hiring, firing, discipline and supervision of its employees, the terms and conditions of their employment and all other matters related to their employment. Franchisor has no management of, control over or involvement in any such employment matters. Franchisee further acknowledges and agrees that any personnel and security-related policies or procedures in any Manual or other written information from Franchisor are for Franchisee's optional use and are not mandatory provisions. It is Franchisee's sole responsibility to determine to what extent, if any, any such policies and procedures described in any Manual or otherwise by Franchisor might be applicable to operations at Franchisee's Store. Franchisor and Franchisee agree that neither is, nor will be deemed to be, a joint employer with the other and Franchisee will defend, indemnify and hold harmless Franchisor, its Licensor and Franchisor Associates with respect to any such or similar claims against any or all of them.

8. Confidential Information; Non-Disclosure and Non-Use.

A. "Confidential Information" Defined. Confidential Information includes in any form current and future:

- i) any Manual, techniques, processes, instructional materials and curricula, policies, procedures, systems, data, and know how regarding the establishment, operation and franchising of MINISO Stores;
- ii) Store layouts, designs, and display techniques, specifications for any MINISO customized Products and Services, and supplier lists and related agreements, pricing and terms; and

iii) Trade Secrets and other non-public information regarding the System or MINISO Stores, including potential location plans, System statistics, profits, financial data, marketing plans, business strategies, training programs and materials, product and supplier resources, store management services and techniques, operations methods and techniques, Store performance information, customer lists and related data for all MINISO Stores, and other operating data/information, all of which is owned by and proprietary to Franchisor or a Franchisor Associate, as applicable, as well as know-how regarding the operation and management of a Miniso retail outlet.

B. Exclusions. "Confidential Information" is not intended to include any information that:

- i) is or subsequently becomes publicly available other than by Franchisee or Franchisee Owner's breach of any obligation;
- ii) was known by Franchisee or any Owner prior to Franchisee becoming a MINISO franchisee; or
- iii) is independently developed by Franchisee.

For avoidance of doubt and notwithstanding any other term of this Agreement, Franchisee acknowledges that Franchisee's customer lists and related data are owned by Franchisor. Franchisee's only interest in any of Franchisor's, Licensor's or any Franchisor Associate's Confidential Information or in any Trade Secret is the right to use it pursuant to this Agreement.

C. Franchise Covenants. Both during and after the term of this Agreement, Franchisee agrees: i) to use the Confidential Information and any Copyrighted Works only for the operation of Franchisee's MINISO Store as authorized under this Agreement; ii) to maintain the confidentiality of the Confidential Information; iii) not to make or distribute, or permit to be made or distributed, any unauthorized copies of any portion of the Confidential Information and/or any Copyrighted Works; iv) not to alter, appropriate, use and/or distribute any Confidential Information or Copyrighted Works except as authorized by Franchisor; and v) to implement all procedures Franchisor reasonably prescribes for prevention of unauthorized use or disclosure of the Confidential Information and Copyrighted Works. Franchisee must comply with the then-current Payment Card Industry Data Security Standard and any revision to it adapted by the PCI Security Standards Council, LLC (the "PCI Council") or any successor organization or standards Franchisor may specify. Franchisee shall implement enhancements and security requirements and other requirements established by the PCI Council for merchants accepting payment by credit or debit cards.

D. Franchisee and Franchisee's Employees and Agents. Franchisee shall notify each of its employees, managers, directors, officers, and/or Owners of Franchisee's obligations with respect to the covenants provided under this Section 8. To the extent permitted by law and if so required by Franchisor, Franchisee agrees to cause anyone who has access to Confidential Information to sign a form of confidentiality and non-use agreement in a form as may be reasonably approved by Franchisor. A form for Owners is attached as Schedule E (for non-California Franchisees) or Schedule F (for California Franchisees). Franchisee will provide Franchisor copies of all such confidentiality agreements upon its request. Franchisee shall take such measures to guard any MINISO Confidential Information and Copyrighted Works against misuse or misappropriation as Franchisee does for Franchisee's own confidential information and intellectual property, but no less than reasonable measures. Additionally, Franchisee hereby grants to Franchisor and Licensor the unrestricted, perpetual right without charge to own, use and license the use of any enhancement, adaptation, invention, publication, derivative work, modification or new process developed or acquired by Franchisee or its employees/agents/suppliers concerning any aspect of the Store or its operation, training programs, sales techniques, advertisements and promotional materials.

E. Enforcement. If any court of competent jurisdiction deems the duration of the non-disclosure requirements of this Section 8 overbroad, Franchisee will comply with such requirements with respect to such Confidential Information during and for a period of five (5) years following the Term of this Agreement and, with respect to any Trade Secret, for so long as its Trade Secret character is retained.

9. System Standards and Changes.

Franchisee understands that it is important for the System to be flexible to respond to commercial opportunities and challenges. Franchisee agrees to comply with mandatory provisions of any Manual, the System and System Standards as they are changed and understands that such changes may require additional investments by Franchisee. The Store shall be operated in compliance with any mandatory MINISO procedures, policies, methods and requirements established by Franchisor and published in any Manual or otherwise to promote System Standards, to protect or maintain the goodwill associated with the Marks, to meet competition and/or otherwise as Franchisor considers appropriate. Franchisor has the unrestricted right to change, eliminate or modify any elements of the System, any Manual or the Marks. Franchisee has responsibility for implementing and maintaining System

Standards. System Standards may involve requirements relating to Product preparation, storage, handling, packaging, display, and storage; signage; use and display of the Marks; hours of operation; required participation in research, surveys, campaigns, conventions and promotions; payment systems and check verification services; bookkeeping and accounting systems; and other aspects of the Store and its operations that Franchisor determines to be beneficial to the System or the establishment and preservation of good will and image associated with the Marks. Franchisee acknowledges that without Franchisee's commitment to the System and to fulfill each of the obligations detailed in this Agreement, Franchisor would not form this franchise relationship with Franchisee.

10. Store Marketing.

A. Marketing and Store Pricing. Franchisor may, but is not required to, provide Franchisee advertising templates, mobile or other applications or other promotional material for marketing the Store, which Franchisee may have to customize for use with Franchisee's Store. Franchisee will be responsible for the costs for all such marketing and promotional materials, including the fabrication, printing, shipping and delivery of such items. Such costs and charges shall not be considered as or deemed to be Marketing Fund contributions or fees and are separate and distinct from Franchisee's marketing fee obligations as provided in Section 10 C., below, but such charges shall count towards Franchisee's fulfillment of any Local Marketing Co-op requirements under Section 10 G., below. All advertising and promotion for Franchisee's Store must be conducted in a professional manner and conform to the highest ethical advertising standards and any policies Franchisor establishes from time to time. Before publishing any advertising, marketing or promotional material or information in any medium which displays the Marks, including social media, Franchisee must submit to Franchisor for its approval, all advertising materials, unless they have been approved before or they consist only of materials Franchisor provides. All advertising materials containing the Marks or other intellectual property of Franchisor must include the applicable designation (e.g., trademark "TM"). If Franchisee has not received the written or oral disapproval of materials submitted within ten (10) business days from the date Franchisor received the materials, the materials are deemed to be disapproved. Franchisor may require Franchisee to withdraw and/or discontinue the use of any promotional materials or advertising, even if previously approved, if in Franchisor's judgment, the materials or advertising may injure or be harmful to the System. Franchisee agrees not to use any materials, publications, promotions or programs disapproved by Franchisor. Franchisee shall have the right to establish Store retail prices; provided, that Franchisor reserves the right to establish minimum and maximum prices to the extent permitted under applicable law. Franchisor also may recommend pricing. Franchisor can request that Franchisee display in Franchisee's Store informational material provided at Franchisor's expense relating to MINISO franchise opportunities. Franchisee shall not without Franchisor's prior written consent make representations, warranties or guarantees concerning any MINISO Products or Services, except and only to the extent consistent with those offered or provided by any applicable manufacturer or third party services provider. Franchisee agrees to participate at Franchisee's expense in any advertising/marketing campaigns implemented by Franchisor, including any such campaigns involving discount coupons or other customer incentives. If Franchisee wishes to opt-out of participation in any marketing campaign or promotion, Franchisee must make a written request, subject to Franchisor's approval at its sole discretion. Such expenses shall not be considered as or deemed to be Marketing Fund contributions or fees and are separate and distinct from Franchisee's marketing fee obligations as provided in Section 10 C., below, but such charges shall count towards Franchisee's fulfillment of any Local Marketing Co-op requirements under Section 10 G., below.

B. Gift Card, Certificates and Customer Loyalty Programs, Mobile or Other Payment Capability/App/Programs. Franchisee agrees not to implement any gift card, gift certificate, customer loyalty or similar rewards program or any mobile or other payment capability/app/program for its Store without Franchisor's prior written approval or as may be authorized in any Manual or through other written communication to Franchisees. Franchisor can condition any such consent upon Franchisee's compliance with or inclusion of particular program terms or practices designed to protect the good will associated with the Marks. Franchisee agrees to accept credit cards, debit cards, and such other means of payment, including but not limited to rewards points; to sell and accept Franchisor approved gift cards, gift certificates, and other comparable items, as provided or designated by Franchisor or which are prepared using any standard form Franchisor prescribes; and to abide by the terms of any gift card or gift certificate or loyalty program Franchisor specifies, all as provided in any Manual or through other written communication to Franchisees and at Franchisee's expense, including without limitation all policies and procedures relating to sales, issuance and redemption and payment of related fees and costs. Franchisee agrees to honor gift cards in the form Franchisor provides or approves, if any, regardless of whether issued directly or indirectly by Franchisee, Franchisor or another MINISO Store, and to timely make any payments due to Franchisor or a designee for gift cards sold by Franchisee and to comply with processes for requests for reimbursement for goods and services sold in exchange for gift cards. Franchisee further agrees to implement and accept in its Franchised Business any mobile or any other payment capability/app/program Franchisor designates from time to time and to abide by the terms of any related mobile or any other payment program policies and procedures, all as provided in any Manual or through other written communication to Franchisees and at Franchisee's expense. Franchisee agrees to purchase or lease, install and use all equipment components and software that meet any standards and specifications Franchisor

establishes and which allow Franchisee to accept and process any such gift/loyalty cards, certificates or programs and mobile or any other payment programs, as Franchisor may require. Franchisee shall give Franchisor independent access to related system information. Expenses incurred by Franchisee in connection with any gift card, certificate, or customer loyalty / reward points program, or any mobile or other payment capability/app/program shall be the responsibility of Franchisee and shall not be considered or deemed to be Marketing Fund contributions or to satisfy any Local Marketing Co-op requirement and are separate and distinct from Franchisee's marketing fee obligations, as provided in Section 10 C. and Franchisee's Local Marketing Co-Op requirements under Section 10 G. below.

C. Marketing Fund and Marketing Fund Fees. With respect to a possible marketing fund:

i) Franchisor may, but is not obligated to, establish a fund (the "Marketing Fund" or "Fund") for the purpose of promoting and enhancing the Stores, the System and the Marks. If Franchisor establishes a Marketing Fund, Franchisee shall participate in all Marketing Fund programs and pay to Franchisor a Marketing Fund contribution as provided in this Section 10 C. On a weekly basis and throughout the term of this Agreement, Franchisee shall pay to Franchisor without offset, credit or deduction of any nature, a marketing fee of up to two percent (2%) of Franchisee's Gross Revenues, as defined in Section 37 below, in the immediately preceding calendar week. Although the current marketing fee payment period is on a weekly basis, Franchisor reserves the right to change to a different payment period (e.g., monthly, etc.). If Franchisor modifies the payment period, any amounts which are paid and/or calculated for a calendar month will be appropriately adjusted on a pro-rata basis, as will any related requirements. Any MINISO Store owned by Franchisor, Licensor or a Franchisor Associate may, but is not obligated to, make contributions to any Marketing Fund.

ii) If Franchisor establishes a Marketing Fund, the Marketing Fund will have the characteristics and be operated according to the terms contained in this Section 10 C. Franchisor will have sole discretion over all matters relating to its operations and be solely responsible for its financial management. The Marketing Fund will be accounted for separately and contributions may be used to pay for taxes related to the Fund and all administrative, accounting, audit, legal and other costs related to Fund activities and purposes and/or as authorized by the relevant Franchise Agreements. Franchisor will prepare and give to Franchisee each calendar year a financial report of revenues and expenditures for the Marketing Fund, which report may or may not be audited at Franchisor's discretion. The Marketing Fund may be used as Franchisor considers appropriate, including for, but not limited to, product development; signage; creation, production and distribution of marketing, advertising, public relations and other materials in any medium, including the Internet; in-house agency services and expenses; all outside costs of administering the Fund, including related legal, insurance, accounting, auditing, and collection fees/costs; brand/image campaigns; media; national, regional, local and other marketing programs; agency and consulting services; research; web site development, maintenance and web-based campaigns; 800 numbers and advertising fulfillment costs; any expenses approved by Franchisor and associated with franchisee advisory groups; and research costs. A brief statement regarding the availability of franchises may be included in advertising and other items produced or disseminated using the Marketing Fund, but Marketing Fund contributions will not be used for the direct solicitation of franchise sales. Franchisor can compensate itself, Licensor and/or any Franchisor Associate for internal costs of administering the fund, including, but not limited to, applicable salary expenses; administrative costs; accounting and record keeping costs; internal production, research and creative expenses; goods and services delivered by Franchisor to the Marketing Fund; and related overhead costs and other internal expenses incurred by Franchisor.

iii) If Franchisor implements a Fund, Franchisor has the right to spend in any fiscal year an amount greater or less than the aggregate contributions to the Marketing Fund in that year, and the Marketing Fund may borrow from Franchisor or other lenders to cover Marketing Fund deficits. Franchisor can accumulate funds over time until such time as Franchisor determines in its sole discretion that sufficient funds are available to adequately conduct Fund activity(ies) as contemplated herein. Franchisor can cause the Marketing Fund to invest any surplus. Franchisor can at its discretion defer, waive and/or compromise claims for contributions to, and/or claims against or with respect to, the Marketing Fund and take legal or other action against any franchisee in default of its obligations and/or deny it access to programs, materials and/or other benefits funded by the Marketing Fund. Franchisee acknowledges and agrees that Franchisor has no obligation to ensure that expenditures by the Marketing Fund are or will be proportionate or equivalent to contributions to the Marketing Fund by Store franchisees operating in any specific geographic area, or that any Store franchisee will benefit directly, indirectly or in proportion to its contribution to the Marketing Fund. No profit or gain will accrue directly to Franchisor from the Marketing Fund. Any interest earned on Marketing Fund contributions will be remitted to the Marketing Fund. Franchisor Associates, Licensor and Franchisor will not be liable for any act or omission in connection with the Marketing Fund that is consistent with this Agreement. Franchisee acknowledges that any Marketing Fund is not a "trust," and does not create and is not in the nature of a "fiduciary" or similar special arrangement.

iv) Although Franchisor intends any Marketing Fund it may establish to be ongoing, Franchisor has the right to terminate any Marketing Fund. The Marketing Fund shall not be terminated, however, until all Marketing Fund contributions have been expended for purposes consistent with this Section 10 C. or returned

to then current franchisees in good standing on a pro rata basis based on total Marketing Fund contributions made in the immediately preceding calendar year by each such franchisee.

D. The MINISO Website(s) and Related Policies. Franchisor and/or its Affiliates can, but are not obligated to, license, create and/or maintain a Miniso website(s) (individually and collectively, the "MINISO Website"). Franchisee will participate in and provide Franchisor pertinent information for content development of any such MINISO Website, subject to usage, privacy and other system policies and procedures, as provided by Franchisor in any Manual or otherwise. Franchisor will have no liability for failures, errors or other occurrences relating to any system, program, or MINISO Website, or to any computer hardware or software, even if recommended, maintained, created and/or specified by Franchisor. Franchisee shall not establish any website, Internet directory listing or any other presence on the Internet relating to the Store or the Franchised Business or publish any information or statements using the Marks in any manner, including but not limited to social networks and related media, without the prior written consent of Franchisor. Franchisee shall not operate or be involved with any on line store offering or selling products or services the same as or competitive with the Products and Services available through the Franchised Business. Franchisee acknowledges that the domain name <http://www.minisousaonline.com> is Franchisor and/or Licensor's sole property, and Franchisee shall not register or use any domain name or URL that contains, uses or displays the words "MINISO," "Miniso USA," or any Marks or other words or symbols related or confusingly similar to any of the foregoing without the express written authorization of Franchisor. Franchisee must seek Franchisor's advance written approval when selecting and using any domain name(s) for the Franchise contemplated under this Agreement. On termination or expiration of this Agreement any previous consent or approval given by Franchisor to use a domain name as provided herein, if any, shall automatically terminate, and Franchisee shall take all actions that Franchisor requires to disassociate Franchisee from the MINISO Website and domain name and transfer such domain name to Franchisor immediately upon termination or expiration of this Agreement. This provision shall survive the termination or expiration of this Agreement.

E. Marketing Policies. Franchisor's policy as of the Effective Date of this Agreement is to allow Franchisee to market to customers located anywhere, but Franchisor reserves the right to change this policy and to implement other marketing policies and requirements from time to time. Franchisee agrees to comply with any such mandatory policies and requirements as they may be implemented or modified.

F. Grand Opening Promotional Kit. Franchisee is required to purchase a "Grand Opening Kit" from Franchisor in connection with the initial opening of Franchisee's store. The fee for the Grand Opening Kit varies between \$3,500 to \$15,000, depending on the type of grand opening items and/or services that Franchisee selects as part of Franchisee's Grand Opening Kit. Mandatory items that you must purchase as part of the Grand Opening Kit include balloons; materials for a ribbon cutting ceremony; traditional and digital advertising and media press services, including posts and/or advertisements on social media platforms (e.g., Instagram and Facebook), flyers passed around the store location, and targeted media press in certain Asian publications and/or websites; and goodie bags (i.e. "swag bags") to pass out to customers who visit the store on grand opening day, which vary for each grand opening and will include items such as charger cables, snacks, drinks, and other small Miniso products. Additional items and services offered for sale as part of the Grand Opening Kit include the following: billboard signage; a media backdrop for customers to take photos in front of attractive MINISO signage on grand opening day; a Taiko drum performance by local performers (approximately 15 minutes in length) to be scheduled on grand opening day; a DJ to perform for 2-3 hours on the grand opening day; a photographer and/or videographer available for 2-3 hours on grand opening day; live entertainers and performers, such as magicians, balloon twisters, or dancers; a grassroots campaign designed to send promotional information to residences in the area surrounding the store; and a photo booth for use on grand opening day for approximately 2-3 hours. Additional items and services may be added in our sole discretion. Certain items and services may not be available in your area, or they may be removed from the Grand Opening Kit in our sole discretion. Purchase of the Grand Opening Kit for your store location does not constitute a guarantee of success or financial performance. Actual costs for the items and services offered in the Grand Opening Kit may vary depending on a number of factors, including the geographic location of your store, the type and quantity of the items and services you select, the size of your store, the availability of potential grand opening options in your area, and more. Franchisee must allow sufficient time prior to store opening to order the Grand Opening Kit. The grand opening should occur on the date Franchisee's store first opens for business, and must occur no later than 2 weeks after Franchisee's store opens for business. This grand opening payment is in addition to Franchisee's required Marketing Fund contributions, as provided in Section 10. C, above, and to any Local Marketing Co-op payment requirements under Section 10 G., below.

G. Local Marketing Co-op. Franchisor reserves the right to require Franchisee to join a local marketing group (a "Co-op") if one is prescribed by Franchisor for an area in which Franchisee's Store is located. Any Co-op will include one or more MINISO Store. All MINISO Franchisees in the prescribed area will be obligated to participate in the Co-op, with each MINISO Store having a single vote, including any Stores owned by Franchisor or a Franchisor Associate. If established, Franchisee must contribute up to three percent (3%) of Gross Revenues to the

Co-op program monthly or as otherwise specified by at least one half of the Stores in the Co-op. Franchisee's Co-op contribution cannot exceed three percent (3%) of Gross Revenues unless a greater amount is approved by more than two thirds of the Stores in the Co-op, whether franchised or owned by Franchisor or Franchisor Associates. Franchisee's payments to any such Co-op shall not be considered as or deemed to be Marketing Fund contributions or fees and are separate and distinct from Franchisee's marketing fee obligations as provided in Section 10 C., above, or any program participation costs, as described in Section 10 B., above.

11. Fees.

A. Franchise Fees. Franchisee shall pay Franchisor by electronic funds transfer or as otherwise instructed by Franchisor an Initial Franchise Fee in the amount of Twenty Thousand Dollars (\$20,000). The \$20,000 Initial Franchise Fee is fully earned and payable when this Agreement is executed and is non-refundable, except as provided in Section 4 C and 3 A. Franchisee shall pay to Franchisor an additional Ten Thousand Dollar (\$10,000) annual fee on each of the 3rd, 4th, and 5th year anniversary of the Effective Date of this Agreement, for a total Franchise Fee for a five (5) year term of Fifty Thousand Dollars (\$50,000). These additional annual fees are fully earned when paid and are not refundable.

B. Royalty Fee. Beginning with the first week in which the Store opens and throughout the Term of this Agreement, Franchisee shall deliver to Franchisor a Gross Revenues Report, as provided in Section 12 E., below, and pay Franchisor a Royalty Fee without offset, credit or deduction of any nature. Under Model A, the Royalty Fee shall be equal to two percent (2%) of Franchisee's Gross Revenues in the immediately preceding royalty period. Under Model B, the Royalty Fee shall be equal to one percent (1%) of Franchisee's Gross Revenues in the immediately preceding royalty period. Under both Models A and B, Franchisee must pay to Franchisor a Royalty Fee of ten percent (10%) of Franchisee's Gross Revenues on any local purchase products independently identified, sourced, and sold by Franchisee, which consist of any products that are not MINISO-branded, such as food and beverage goods, souvenir items, and other locally-sourced products, that Franchisee identifies and obtains approval from Franchisor to sell ("Franchisee-sourced Local Purchase Products"). This 10% Royalty Fee does not apply to local purchase products sourced by Franchisor or its Affiliates ("Miniso-sourced Local Purchase Products"), which is subject to the revenue split described in the applicable consignment and supply agreements. Royalty Fees shall be payable to and received by Franchisor by the third (3rd) day after each royalty period. The current royalty period is a calendar week, beginning each Monday and running through each Sunday, which means the third (3rd) day after each royalty period shall be Wednesday of each week. The time period covered by a royalty period may be changed by Franchisor (e.g., to a calendar month, etc.). In that event, any amounts which are paid based upon, or calculated in relation to, a royalty period will be adjusted on a pro rata basis. Franchisee must promptly notify Franchisor of any closure of the Store or the Franchised Business that deviates from the normal course of business. Franchisee's royalty and other financial and reporting obligations to Franchisor will continue during any closure period not authorized by Franchisor.

C. Security Deposit. Franchisee shall pay to Franchisor a refundable security deposit of \$20,000 in connection with the opening of the Franchisee's store (the "Security Deposit"). The Security Deposit shall be due and payable upon execution of this Agreement. During the term of this Agreement, Franchisor shall have all rights to utilize the Security Deposit for any purposes without Franchisee's consent or approval. After the expiration of this Agreement and any renewal periods, the Security Deposit will be returned without interest within ninety (90) days, provided that Franchisee is not then in breach or violation of the terms of this Agreement, the Consignment Agreement, the Supply Agreement, or any other contractual agreement entered into with Franchisor or any Franchisor Affiliate. Franchisor expressly reserves the right to use the Security Deposit to offset payments or amounts owed by Franchisee either to Franchisor, Consignor, or any Franchisor Affiliate. Any portion of the Security Deposit withheld by Franchisor or any Franchisor Affiliate shall not be construed as liquidated damages nor any other form of penalty.

D. Merchandise Deposit – Model A only. This section applies to all franchises opened under Model A only. Franchisee shall pay to Consignor a refundable deposit for the Miniso branded and non-branded products to be sold in Franchisee's store (the "Merchandise Deposit"). The Merchandise Deposit shall be fixed at \$150,000 for stores that are 4,000 square feet or less in size, and \$200,000 for stores over 4,000 square feet. Fifty percent (50%) of the Merchandise Deposit is due within 10 business days of signing this Agreement. The remaining fifty percent (50%) is due within 10 business days after Franchisee signs its lease for the franchise store. During the term of this Agreement, Consignor shall have all rights to utilize the Merchandise Deposit for any purposes without Franchisee's consent or approval. Ownership of the Merchandise Deposit shall belong to Consignor throughout the term of this Agreement. After the expiration of this Agreement and any renewal periods, the Merchandise Deposit will be returned without interest within ninety (90) days, provided that Franchisee is not then in breach or violation of the terms of this Agreement, the Consignment Agreement, or any other contractual agreement entered into with

Franchisor or any Franchisor Affiliate. Franchisor and/or Consignor expressly reserve the right to use the Merchandise Deposit to offset payments or amounts owed by Franchisee either to Franchisor, Consignor, or any Franchisor Affiliate. Any portion of the Merchandise Deposit withheld by Consignor, Franchisor or any Franchisor Affiliate shall not be construed as liquidated damages nor any other form of penalty.

E. Consignment Revenue Payments – Model A only. This section applies to all franchises opened under Model A only. In accordance with the terms and conditions of the Consignment Agreement, Franchisee shall be responsible for payment of the amount specified in Consignor's current price list for any products delivered to Franchisee's store, less a commission of 50% on all general merchandise goods, which consist primarily of MINISO-branded goods; and a commission of 30% on Miniso-sourced Local Purchase Products, which consist of any goods that are not MINISO-branded, such as food and beverage goods, souvenir items, and other locally-sourced goods that Franchisee identifies and wishes to sell in its store after obtaining Franchisor's approval. As a result, Consignor will be entitled to 50% of the gross revenue from any general merchandise products sold and 70% of the gross revenue from any Miniso-sourced Local Purchase Products sold. This 50/50 split applicable to general merchandise products and 70/30 split applicable to Miniso-sourced Local Purchase Products applies to the sale of all products in Franchisee's store, including promotional items. Following such sale of any Products and local products, Franchisee shall pay to Consignor the amount due on a weekly basis, in accordance with the terms and conditions of the Consignment Agreement.

F. Inventory Purchase – Model B only. This section applies to all franchises opened under Model B only. In accordance with the terms and conditions of the Supply Agreement, Franchisee shall purchase the products to be sold in the franchise store from Seller at the prices set forth in Seller's price list in effect at the time that Seller accepts the related purchase order. The purchase price for MINISO-branded products shall generally be 50% of the full retail price for sale of such product to the customer, provided that Seller shall have the right to set such price in its sole discretion, including at a variant percentage of full retail price. The purchase price for Miniso-sourced Local Purchase Products and other non-MINISO-branded Products shall generally be 70% of the retail price for sale of such product to the customer, provided that Seller shall have the right to set such price in its sole discretion, including at a variant percentage of full retail price.

G. Payment Methods; No Franchisee Set Off. Franchisee agrees to pay any amount owed to Franchisor, Licensor, Consignor, Seller, or any Franchisor Associate in the manner Franchisor instructs, including possibly by credit card, wire transfer or pre-authorized electronic deposit to a bank or other financial institution account. Franchisee shall complete and execute any bank authorization or other form required by Franchisor for the purpose of authorizing Franchisor's selected payment method. Franchisee agrees to maintain an account at a bank or other financial institution that has the capacity to perform electronic debits to Franchisee's account and shall maintain account balances sufficient to meet any electronic payments that Franchisor requires. Amounts payable to, but not received by, Franchisor from Franchisee on the date due are subject to interest, as provided in Section 23, below. Franchisor, Licensor and Franchisor Associates can require advance payment by wire transfer, cash on delivery or other specified method of payment on sales of products/services to Franchisee by Franchisor, Licensor or a Franchisor Associate. Franchisee does not have the right to offset or withhold payments of any kind owed or to be owed to Franchisor, Licensor or any Franchisor Associate as a result of any dispute with Franchisor or otherwise, except as authorized by an arbitration award or in a judicial proceeding.

H. Renewal Fee. The Renewal Fee (i.e., 50% of the total Franchise Fee then in effect at the time of the renewal) is due and payable by Franchisee as provided in Section 2, above.

I. Marketing Fund Fee. At Franchisor's option, a Marketing Fund Fee of two percent (2%) of Gross Revenues is due and payable by Franchisee as provided in Section 10. C., above.

J. Transfer Fee. A Transfer Fee of Ten Thousand Dollars (\$10,000) is due and payable by Franchisee as provided in Section 18 D., below.

K. Material & Equipment Fee. As described in Section 3 E., above, Franchisee must pay Miniso Depot CA, Inc. a Material & Equipment Fee. The Material & Equipment Fee is due following execution of the lease for Franchisee's store and before opening of the store.

12. Records, Systems and Computers.

A. Maintenance of Records. Franchisee shall maintain and preserve for the duration of the Term of this Agreement and any Renewal agreement and as otherwise required by law, complete and accurate books, records and accounts maintained according to standard accounting practices. Franchisee must retain all invoices,

purchase orders, payroll records, cash receipts records, sales tax records, business account bank statements, disbursement journals, general ledgers and all other books and records of the finances of the Franchised Business, and agrees to provide copies of all such documents and information to Franchisor upon request.

B. Computer System and Software. Franchisor shall have the right to require Franchisee to obtain, use and maintain computer systems, software, operating systems and databases, Internet technology, communications devices, payment systems, and other systems/items/equipment meeting Franchisor's specifications and compatibility requirements and/or that Franchisor designates by brand or title, including point of sale ("POS") systems (all collectively, a "Computer System"). Franchisee's Computer System shall be linked to the Internet and have email and file sharing capabilities meeting Franchisor's then-current requirements and/or equipment and systems specifications. Franchisor reserves the right to have full access to all of Franchisee's computer data, Computer System and related information via direct access either in person or electronically by telephone, Internet or other electronic access system, as selected by Franchisor, including customer related information/data. The foregoing notwithstanding, Franchisee and Franchisor acknowledge and agree that Franchisor shall have no involvement in or authority over employee scheduling, wage and hour matters or any other employee management activities, or terms and conditions of employment, which are Franchisee's sole responsibility. Franchisee must process all received goods and sold inventory through the designated POS system. Franchisee also is solely responsible for ensuring that the collection, input, storage and use of the Franchised Business data complies with any applicable privacy laws and regulations within the jurisdictions applicable to Franchisee's Franchised Business. Franchisee is responsible for any supplier and/or licensor charges for use, maintenance, support and/or updates of and to the required systems. Franchisor shall provide to Franchisee technical support and maintenance required for the POS System. Franchisee shall change, upgrade or add to the Computer System and software or any component thereof from time to time on written notice from Franchisor and/or as required by then applicable software and hardware manufacturers or providers to maintain or operate the system.

C. Inspection. Franchisee shall permit Franchisor and/or Franchisor's agents/representatives at any time during business hours, without causing any undue business interruption and without prior notice, to: i) inspect the condition of Franchisee's Store, its Equipment and inventory, customer service, menu item preparation and other operations and to record and/or photograph the same; ii) remove samples for testing and analysis; iii) interview personnel; iv) interview customers; v) review operations processes and sample product quality; and vi) conduct inventories and other activities for the purpose of determining Franchisee's compliance with this Agreement. Franchisee agrees to correct promptly at Franchisee's expense any deficiencies identified by Franchisor or its agent/representative in the course of the inspection. Franchisee shall be responsible for reimbursing Franchisor's costs and expenses incurred in connection with such an investigation to the extent the investigation is motivated by Franchisee's repeated or continuing failure to comply with this Agreement, as determined by Franchisor. For all Model A franchises, Franchisor has the right to require an inventory count of products that have been provided to Franchisee. If such right is invoked, Franchisee must cooperate in the count, whether done by Franchisor, its Affiliates, or a third party. Franchisee will be responsible for 50% of any third party costs incurred in connection with the inventory count if the reported accuracy rate, based on SKUs, is lower than 50%. Franchisee also will be liable for 50% of the retail price of any inventory shortage reported in connection with the count.

D. Audit. Franchisor has the right to require Franchisee to make available to Franchisor for inspection and/or audit at a time and in the manner Franchisor requests, all original books and records that Franchisor designates. Franchisor or its designee shall have the right, at all reasonable times, to examine, copy, inspect and audit the books and records of Franchisee, including electronic records. Such business records may include, but are not limited to, bookkeeping and accounting records, purchase invoices, sales invoices, sales and income tax records and returns, and cash register tapes/data. Franchisee shall cooperate fully with such an audit. Franchisor's audit rights continue in effect for two (2) years after the termination, expiration, or transfer of this Agreement. If an inspection or audit reveals any underpayment or understatement to Franchisor, then Franchisee shall immediately pay the amount of the underpayment or understatement, plus interest from the date the amount was due until paid, at the interest rate stated in Section 23 and shall reimburse Franchisor for costs and expenses incurred in connection with the audit. The provisions of this Section do not and shall not be construed to waive or excuse any breach reflected by an underpayment or understatement and are in addition to all of Franchisor's other rights and remedies.

E. Reporting. Franchisee shall maintain an accurate record of Gross Revenues and shall deliver to Franchisor in the manner Franchisor specifies a signed and verified statement of weekly Gross Revenues ("Gross Revenues Report") for the royalty period in a form that Franchisor approves or provides in any Manual or through other written communication to Franchisees. The royalty period as of the Effective Date is a calendar week (beginning each Monday through Sunday). The Gross Revenues Report for the preceding royalty period must be provided to Franchisor along with applicable Royalty Fees on a weekly basis, no later than the close of business on

the third (3rd) day after each royalty period as provided in Section 11 B., above (i.e., by Wednesday of each week). Franchisor reserves the right to adjust reporting periods on written notice to Franchisee. Additionally, Franchisee shall provide to Franchisor at such time and in such form or manner as Franchisor requests:

- i) information about or relating to the Franchised Business, including customer/supplier records and data;
- ii) within forty five (45) days after the end of each of Franchisee's fiscal years a fiscal year-end balance sheet and income statement for Franchisee's Franchised Business, prepared in accordance with generally accepted accounting principles and certified by Franchisee or Franchisee's accountant, as requested by Franchisor.
- iii) such other data, information and supporting records for the Franchised Business as Franchisor reasonably requests from time to time, including copies of sales tax and income tax returns relating to the Franchised Business.

13. Standards.

A. Quality and Performance. In all dealings with customers, suppliers, the public, government agencies, Franchisor and all other persons and entities, Franchisee shall adhere to high standards of honesty, fair dealing, and ethical conduct for the protection of the goodwill associated with the Marks and the System. Franchisee and its employees and agents shall always provide prompt, professional, courteous and efficient service to customers and shall use best efforts to promote and increase sales of Store Products and Services. Franchisee shall follow Franchisor's System Standards. Throughout the term of this Agreement, Franchisee shall always maintain a sufficient supply or inventory for the optimal operation of the Store and as may be required under any Manual.

B. Condition of the Store; Renovation Requirements. Franchisee shall conduct the Franchised Business observing the highest standards of sanitation, cleanliness, customer service and efficiency. Franchisee shall keep the condition and appearance of the interior and exterior of the Store (inclusive of parking areas) and the Store assets clean, in good repair and consistent with Franchisor's quality standards and System in order to maintain the goodwill and positive image associated with the MINISO Marks and System (collectively, "Store Maintenance Activities"). Franchisee shall replace all worn, obsolete or unrepairable assets with those meeting any then current System Standards. Franchisor shall have the right to notify Franchisee that, in Franchisor's judgment, the Store's repair, appearance, Equipment or other assets do not meet Franchisor's standards and to state what action Franchisee must take to correct the deficiency(s). Franchisee shall take all steps needed to correct each deficiency within the timeframe(s) then required by Franchisor. In addition to such ongoing obligations, Franchisee shall at its expense and within 6 months of receipt of written notice from Franchisor (or within such longer period as Franchisor may specify in such notice, in its sole discretion), renovate, update, remodel and otherwise conform its Store to meet then current MINISO Store design and appearance requirements as implemented by Franchisor (collectively, a "Store Update"). Franchisor reserves the exclusive right to determine whether a required modification is all or a portion of a Store Update or a part of Franchisee's ongoing obligations to perform Store Maintenance Activities and comply with System changes, as described in Section 9, above. Franchisee may be required to perform a Store Update once in each Franchise Term and may also be required to do so as a condition to Franchisor's award of a renewal MINISO Franchise or to approval of a proposed Transfer.

C. Products, Equipment and Services. Franchisee acknowledges that the reputation and good will of the System is based on high quality products and customer service. Therefore, Franchisee shall offer and use Products and Services, install and use Equipment and purchase only from suppliers approved or specified by Franchisor, to the extent required by Franchisor. Franchisee shall not without Franchisor's written consent conduct any business or engage in any activity, or offer or sell any goods or services other than approved Products and Services on a retail basis, or use any product, equipment, service or supplier that is not approved by Franchisor in connection with the Franchised Business.

D. Approved Suppliers; No Warranties. Miniso Depot CA, Inc., is presently the sole and exclusive supplier of Miniso branded and non-branded Products to be sold in your franchise store. From time to time, and as circumstances warrant, Franchisor shall provide to Franchisee in any Manual or in some other manner a list of suppliers and distributors authorized by Franchisor to supply Equipment, Products and/or Services for use or sale at the Store (each, an "Approved Supplier"). Franchisor is not obligated to identify Approved Suppliers near Franchisee's Location. Franchisor reserves the right to increase or decrease the number and selection of Approved Suppliers in its sole discretion. While Franchisor may identify Approved Suppliers, Products and Services for Franchisee to use and/or sell in the Franchised Business, Franchisor has no liability of any kind for an Approved Supplier's performance or any of its prices, Products, Equipment and/or Services. UNLESS FRANCHISOR, LICENSOR OR ANY FRANCHISOR ASSOCIATE GIVES TO FRANCHISEE A SPECIFIC WRITTEN WARRANTY

FOR A PARTICULAR ITEM OR SERVICE, AS TO FRANCHISOR, LICENSOR OR AND FRANCHISOR ASSOCIATES PRODUCTS AND SERVICES ARE OFFERED, PROVIDED AND/OR "APPROVED" WITHOUT ANY WARRANTIES, EXPRESS OR IMPLIED, FROM FRANCHISOR, LICENSOR OR ANY FRANCHISOR ASSOCIATE, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE BEING EXPRESSLY DISCLAIMED.

E. Other Supplies and Suppliers. If Franchisee proposes to offer for sale or use at the Store any product or service or to use any supplier or equipment that is not then approved by Franchisor, Franchisee shall first notify Franchisor in writing and request Franchisor's consent to do so. Franchisee shall submit to Franchisor samples and other information that Franchisor requests to permit evaluation of the proposed product, service, equipment or supplier at Franchisee's expense. Franchisee shall reimburse Franchisor for all such costs and expenses upon receipt of invoice. Franchisor shall either approve or disapprove the proposed supplies and/or suppliers within a reasonable period after Franchisor's receipt of the evaluation request. Franchisor shall have the right to re-evaluate any Products, Services, Equipment or suppliers previously approved and to revoke such approval when Franchisor deems appropriate, and can require that some or all Products and Services sold and Equipment used in the Store conform to specifications and quality standards that Franchisor may establish from time to time for protection and enhancement of the goodwill associated with Marks. Franchisor shall also have the right to inspect at any time any products or supplies sourced by Franchisee and to inspect or audit the applicable supplier operations and require appropriate adjustments for consistency with Franchisor standards. Franchisee shall reimburse upon demand costs incurred by Franchisor in connection with any inspection or site visit to Franchisee's supplier's facility for quality assurance purposes. Notwithstanding any other provision of this Agreement, Franchisor shall not be required to reveal contents, specifications and/or other details of Proprietary Products to Franchisee, non-designated suppliers, or any other third parties.

F. Franchisor's Reserved Rights. Franchisor reserves the right to designate a supplier as an exclusive supplier of specified Products/Services/Equipment, to concentrate purchases with one or more suppliers and to receive royalties or other payments from suppliers for selecting them as organization suppliers or for allowing them to sell Proprietary Products. Franchisor, Licensor and Franchisor's Associates also reserve the right to derive profits and to receive discounts, commissions, rebates, promotional allowances and other economic benefits as a result of purchases by franchisees of Products, Equipment and Services from Franchisor, from its Associates, from Licensor or from any other supplier. Franchisor, Licensor and/or a Franchisor Associate each may be party to agreements with suppliers that provide for marketing or promotional rebates or allowances, volume discounts or other economic benefits. Any rebates, discounts, allowances, profits, mark ups or other benefits earned under these agreements or otherwise as a result of franchisees' purchases of that supplier's products or otherwise may be kept and used by Franchisor or its Associate or Licensor in its/their sole discretion, as applicable. Franchisor and each of its Associates and Licensor can be an Approved Supplier or exclusive supplier of specific Equipment/Products/Services to be purchased by franchisees. Franchisee acknowledges and agrees that Franchisor and each such Associate and Licensor will earn a profit in connection with their respective sales of Products (including Proprietary Products), Equipment and Services to franchisees and have no obligation to remit any portion of their receipts to Franchisee. Franchisor also reserves the right to issue monetary fines to Franchisee for non-compliance with Franchisee's obligations under this Agreement.

G. MINISO Products. Franchisee shall use, offer and maintain branded items in stock at the Stores in such quantities as are needed to meet reasonably anticipated consumer demand, including all MINISO proprietary products which are manufactured in accordance with Franchisor's or Licensor's standards, designs, specifications and/or formulas (collectively, "Proprietary Products"). Franchisee shall obtain such Proprietary Products exclusively from Franchisor, Licensor or Franchisor's designated supplier, as applicable. Notwithstanding any other provision of this Agreement, Franchisor shall not be required to reveal such standards, designs, specifications and/or formulas for Proprietary Products to Franchisee, non-designated suppliers, or any other third parties. Any Proprietary Products obtained from Franchisor, Licensor or any Franchisor Associates shall be obtained according to the then current order, delivery, purchase, and/or consignment policies and procedures then in effect and as may be established from time to time. Franchisor, Licensor and Franchisor Associates reserve the right to change prices and terms in connection with Products/Services sold or manufactured by any of them, and to discontinue the manufacture and/or sale of any such Products/Services in its sole discretion. Neither Franchisor, Licensor nor any Franchisor Associates shall be liable for any delays in shipment, receipt, consignment, or delivery in connection with Products and Services, including but not limited to Proprietary Products.

H. Supervision. Franchisee, or its Designated Owner, as applicable, is solely responsible for supervising the Franchised Business. Franchisee authorizes Franchisor to deal with any Designated Owner on all matters relating to this Agreement and the Franchised Business. Franchisee must keep Franchisor informed as to the identity of each Designated Owner.

I. Legal Compliance. Franchisee shall obtain and maintain all required licenses, permits and certificates to permit operation of the Store. While Franchisor may from time to time provide information about various laws, regulations and ordinances, and safety or legal guidelines, Franchisee is solely responsible for identifying and complying with all those laws, regulations and ordinances applicable to the Franchised Business, including without limitation and to the extent applicable the Fair Labor Standards Act, the Occupational Safety and Health Act, any state wage and hour or workers compensation act, any state unemployment compensation benefit law or regulation, or any other federal, state or local employment-related or employee benefit law or regulation. Franchisee shall notify Franchisor in writing within three (3) days after learning of any demand, action, suit or proceeding made or brought against Franchisee, the Franchised Business or a Designated Owner, or of the issuance of any order, writ, injunction, award or decree of any court or government agency that may adversely affect the operation or financial condition of the Store, Franchisee, the Marks or the System. Franchisee and its Owners certify, represent, and warrant that none of Franchisee's property or interests is subject to being blocked under, and that Franchisee and its Owners otherwise are not in violation of, any of the Anti-Terrorism Laws and shall complete such forms attesting to the same as Franchisor may require. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war.

J. Forms. Franchisor may from time to time provide Franchisee with template or sample forms/agreements and other materials and/or require through any Manual or other written instruction that forms used by Franchisee in the Franchised Business contain certain terms and/or protections for Franchisor, the Marks or the System. Franchisor does not warrant the legal sufficiency or quality of any such documents that Franchisor may approve or provide, and Franchisee is responsible for having all such items reviewed and modified for compliance with local law by an attorney licensed to practice in the state(s) where the Franchised Business will be located.

K. Program Participation. Franchisor can condition Franchisee's participation in any program, or Franchisee's receipt of any Miniso System benefits, including, but not limited to, Product discounts, inclusion in any MINISO Website or access to any MINISO intranet, training opportunities and other resources and promotional programs, on Franchisee remaining in compliance with the terms of this Agreement.

14. Risk Management and Indemnification.

A. Insurance. Franchisee shall ensure that its construction, fixtures and equipment related contractors and its general contractor, if applicable, maintain general liability insurance coverage meeting or exceeding any applicable requirements established by Franchisee's lessor, but which shall in no event be less than One Million Dollars (\$1,000,000) per occurrence. Additionally, Franchisee shall obtain and maintain insurance coverage meeting or exceeding the following requirements:

- i) "all risk" property insurance coverage for the replacement value of the assets of the Franchised Business and business interruption insurance;
- ii) worker's compensation insurance in statutory amounts as required in the state(s) where Franchisee's operations are conducted;
- iii) insurance coverage for contractual indemnity;
- iv) commercial general liability coverage covering the Store and Franchisee's operations for bodily injury and property damage liability including contractual liability, personal injury, advertising and product liability coverage in amounts not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate, or such greater coverage as the Store premises lessor may require;
- v) product liability insurance and other types of insurance usually carried by persons engaged in the same or similar business to the extent necessary to cover any risks which may be reasonably foreseen; and
- vi) automobile liability insurance including coverage for autos owned, leased, hired or borrowed by Franchisee or Franchisee's Owners, with limits of at least Five Hundred Thousand Dollars (\$500,000) (or such higher limit as may be established under state law applicable to your Store location) per occurrence of bodily injury and property damage combined, and any other or increased amounts of insurance that the Franchisor may require from time to time for each vehicle used by Franchisee (whether principally or occasionally) in connection with the Franchised Business.

All required policies shall name Franchisor, Licensor and Franchisor Associates as additional insureds and entitled to receive at least thirty (30) days' prior written notice of any intention to reduce coverage or policy limits or to cancel or otherwise amend the policy. Each policy shall contain waivers of subrogation in favor of Franchisor and Franchisor's Associates (which shall be operative only so long as available in the state having jurisdiction over an

affected claim and provided further that no policy of insurance is invalidated thereby). Franchisor shall have the right from time to time to revise coverage types and policy amounts that Franchisee must obtain and maintain. Franchisor shall have the right at any time to require Franchisee to provide to Franchisor full copies of Franchisee's insurance policies. All required insurance must be in place and effective before any store opening. Franchisee shall provide Franchisor prior to opening the Store certificates of insurance evidencing the coverage described in this Section 14 A., and thereafter with each policy renewal and at Franchisor's request; provided, that evidence of contractor(s)'s coverage as specified above must be provided to Franchisor before any construction/build out begins. If Franchisee fails to purchase or maintain required policies and limits or to provide proof of insurance on request, then Franchisor has the right, but not the obligation, to obtain such coverage, and Franchisee must reimburse Franchisor upon demand. A failure to maintain required insurance is a material breach of this Agreement.

B. Notice of Claims; Franchisee Indemnification. Franchisee shall notify Franchisor in writing of any and all claims or demands against Franchisee, the Franchised Business or Franchisor within three (3) days after Franchisee receives actual notice of the claim or demand. Franchisee will defend with counsel of Franchisor's choosing, indemnify and hold Franchisor, Licensor, Franchisor Associates, and each of their respective Affiliates, agents, officers, partners, members, shareholders, directors, employees and representatives (the "Indemnified Parties") harmless from all fines, suits, proceedings, claims, demands, actions, losses, damages, costs, fees (including Attorneys' Fees and related legal costs and expenses), governmental/administrative actions or proceedings and any other liability of any kind or nature, however arising, growing out of or otherwise connected with and/or related to any Franchisee breach of this Agreement, the ownership or operation of Franchisee's Franchised Business, an asserted breach of lease or violation of any law or regulation or any act, error and/or omission by Franchisee and/or any Franchisee Affiliates, agents, officers, partners, members, shareholders, directors, employees or representatives. Franchisor will have the right to control all litigation to which it is a party and to defend and/or settle any claim in such manner as Franchisor considers appropriate, without affecting Franchisor's or the Indemnified Parties' rights under this indemnity. Franchisee acknowledges that this obligation to indemnify and reimburse Indemnified Parties for costs and expenses, as described above, applies to any action or proceeding or legal matter of any kind in which one or more Indemnified Parties is/are named or involved and which also involves this Agreement and/or Franchisee's Franchised Business, including any administrative actions or investigations and appellate, post judgment or bankruptcy proceedings. Franchisee further acknowledges that this obligation to indemnify and reimburse Indemnified Parties for costs and expenses, as described above, expressly applies to claims from persons employed by or providing services to Franchisee involving allegations of a violation of the Fair Labor Standards Act, the Occupational Safety and Health Act, any state workers' compensation act, any state unemployment compensation benefit law or regulation, or any other federal, state or local employment or employee benefit law or regulation, and regardless of the basis of the alleged liability, whether joint employer, ostensible agency, vicarious liability or otherwise. All amounts payable by Franchisee under this Section 14 B. are due upon demand. Franchisee is entitled to appoint separate independent counsel to represent Franchisee's interests in such suits, proceedings, or claims, all at Franchisee's expense. Franchisee's obligations under this Section 14 B. survive the assignment, termination or expiration of this Agreement, except that Franchisee shall not be responsible to indemnify any Indemnified Parties for costs, expenses or other liabilities incurred by any such Indemnified Parties solely as a result of such Indemnified Parties' intentional misconduct or material breach of this Agreement.

15. Covenants.

A. No Diversion; Protection of Goodwill. During the term of this Agreement, Franchisee and Franchisee Owners shall not, either directly or indirectly, for itself/themselves, or through, on behalf of or in conjunction with any person or Business Entity divert or attempt to divert any business or customers of the Store to any competitor, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System. Franchisee acknowledges and understands that all customer relationships and customer-related information obtained at or by Franchisee in connection with the Franchised Business are Franchisor's intellectual property and a part of Franchisor's Confidential Information.

B. No Engaging in Competing Business During Term. During the term of this Agreement, Franchisee, each Franchisee Affiliate, each Franchisee Owner and each Family Member of each of the foregoing, shall not:

- i) have any direct or indirect interest anywhere in any Similar Business, or in any entity granting franchises or licenses or establishing joint ventures for the operation of Similar Businesses;
- ii) provide any financial support or perform any services anywhere as an employee, agent, representative, consultant or in any capacity of any kind for any Similar Business, or for any entity granting franchises or licenses or establishing joint ventures to operate Similar Businesses; or

iii) engage in any other activity which might injure the goodwill of the Marks and/or the System.

For purposes of this Agreement, i) a "Similar Business" is any business or enterprise that markets or sells MINISO products, fast fashion clothing and accessories, other products competitive with or similar to the products offered by Miniso, and other distinctive MINISO sales items and goods where such goods comprise more than twenty percent (20%) of sales for such business/enterprise; and ii) "Family Members" include an individual and his/her spouse and/or domestic partner, and their respective mother, father, brother, sister, son, and daughter. These restrictions do not apply to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent less than three percent (3%) of the outstanding number of shares of that class issued by a Similar Business.

C. Further Trade Secret and System Protection; Post Term Restrictions. For a period of two (2) years after the transfer, termination or expiration of this Agreement and to the extent permitted by law, Franchisee, each Franchisee Affiliate, each Franchisee Owner and each Family Member of each of the foregoing, shall not:

- i) have any direct or indirect interest in any Similar Business within a radius of ten (10) miles of the Accepted Location or of any MINISO Store;
- ii) provide any financial support or perform any services as an employee, agent, representative, consultant or in any capacity of any kind for any Similar Business within a radius of ten (10) miles of the Accepted Location or of any MINISO Store;
- iii) have any direct or indirect interest anywhere in, or provide any financial support to, any entity granting franchises or licenses or establishing joint ventures for the operation of Similar Businesses, or perform any services anywhere as an employee, agent, representative, consultant or in any capacity of any kind for any such entity; or
- iv) solicit or otherwise attempt to induce any of Franchisor's or Affiliates' employees, officers, directors, agents, consultants, representatives, contractors, suppliers, distributors, franchisees or other business contacts to terminate or modify a business relationship with Franchisor or to compete against Franchisor or any Affiliates.

Franchisee accepts that it is Franchisee's obligation under this Agreement to ensure the compliance of each of the persons/entities named in Sections 15 A., B. and C. with the limitations described in those Sections. Franchisor shall use reasonable judgment in evaluating whether or not the conduct of a Family Member warrants the exercise of rights under this provision.

D. Franchisee Acknowledgment. Franchisee and Franchisor share a mutual interest in ensuring compliance with the restrictions on competition described in Sections 15 A., B. and C. Franchisee acknowledges and agrees that such protections can enhance the value of the Miniso System to Franchisee, have been expressly bargained for and represent a reasonable balancing of Franchisee and Franchisor interests. Franchisee confirms that Franchisee and Franchisee Owner(s) possess valuable skills unrelated to the Franchised Business and have the ability to be self-supporting and employed regardless of the restrictions on competition to which Franchisee and Franchisee Owners have agreed.

E. Covenants are Severable; Trade Secret Protection Essential. Each of the above covenants shall be deemed independent of any other covenant or provision of this Agreement. If any of the restrictions of this Section 15 are determined to be unenforceable to an extent because of excessive duration, geographic area, scope of business or otherwise, they will be reduced to the level that provides the greatest protection to Franchisor and the System, but which is still enforceable. Franchisee and Franchisor agree and intend that Franchisee and Franchisee Owner(s) in all instances shall not engage in any activities or business if the fulfillment of Franchisee's/Owner's duties and responsibilities with respect to any such activities or business (or the duties and responsibilities of another person/entity identified in Sections 15 B. and C.) would inherently call upon Franchisee or such person/entity to disclose and/or use Franchisor's, Licensor's or Franchisor's Associate's Trade Secrets or other proprietary information.

F. Similar Covenants from Franchisee Owner(s). Each Franchisee Owner (if Franchisee is a Business Entity) shall execute covenants in a form satisfactory to Franchisor imposing requirements the same as or equivalent to those provided in this Section 15 to the extent permitted by law. A proposed form for signature by Franchisee's Owner(s) is attached as Schedule E (for non-California Franchisees) or Schedule F (for California Franchisees).

G. Injunctive Relief. Franchisee acknowledges that money damages would not be a sufficient remedy for breach of the obligations in this Section 15. Accordingly, Franchisor shall be entitled to seek and obtain equitable remedies, including, without limitation, immediate restraining orders and injunctive relief for the actual or threatened breach of any obligation in this Section 15. Franchisor's remedies for a breach of Sections 15 B. and C. will include, but not be limited to, the right to receive all profits generated in connection with the operation of any Similar Business.

16. Default and Termination.

A. Termination by Franchisor with No Opportunity to Cure. This Agreement shall, at Franchisor's option, terminate automatically upon Franchisor's delivery of notice of termination to Franchisee, without opportunity to cure, if Franchisee or Franchisee Owner(s), as applicable:

- i) fails to have an Accepted Location within one hundred twenty (120) days of the Effective Date of this Agreement, or to develop, stock, equip, open and operate the Store by the Opening Period Deadline as provided in Section 3, above;
- ii) fails to satisfactorily complete any training programs to the extent required by Franchisor and as provided in Section 4, above;
- iii) has made any material misrepresentation or omission in the application for the Franchise;
- iv) is convicted of or pleads no contest to a felony or other crime or offense that Franchisor believes is likely to affect adversely the reputation of Franchisor, Franchisee, the System or the Store;
- v) duplicates or discloses or makes any unauthorized use of any Trade Secret or Confidential Information or Copyrighted Works provided to Franchisee by Franchisor, including any Manual;
- vi) abandons the Franchised Business for five (5) or more consecutive days without Franchisor's advance written consent, or fails to relocate to another acceptable Store location within ten (10) days after vacating the Accepted Location or within such longer period as is permitted by Franchisor in writing, if any;
- vii) attempts to make or makes an unauthorized Transfer or assignment under this Agreement;
- viii) submits to Franchisor on three (3) or more separate occasions at any time during the term of the Franchise any false or inaccurate reports or other information required by Franchisor, regardless of whether or not corrected;
- ix) is the subject of insolvency, receivership or bankruptcy proceedings, admits in writing insolvency or an inability to pay debts as they are due, or makes an assignment for the benefit of creditors;
- x) misuses or makes an unauthorized use of any of the Marks or commits any other act that can reasonably be expected to impair materially the goodwill associated with any of the Marks;
- xi) fails on three (3) or more separate occasions within any period of twelve (12) consecutive months to submit required reports or other Franchisor required information when due, to pay Royalty Fees, Franchisee's share of Gross Revenue, or any other fees or amounts due to Franchisor or Franchisor's Licensor/Associates, or otherwise fails to comply with this Agreement, whether or not the failures to comply are corrected after notice is delivered to Franchisee;
- xii) receives a written notice of default under Section 16 B. ii), below, on three (3) or more occasions during the term of this Agreement;
- xiii) violates any safety, health or consumer protection law, ordinance or regulation or operates the Store in a manner that presents a safety or health hazard to its customers or the general public and does not immediately begin to cure such violation or hazard and correct the same within seventy-two (72) hours of receipt of notice about it;
- xiv) fails to comply with all applicable laws, regulations, orders and ordinances relating to the Store and/or the Franchised Business; or
- xv) have assets, real property or other interests blocked in connection with any legal requirements relating to terrorist conduct or activities, or otherwise violate any such requirements; or
- xvi) fails to have and maintain insurance in compliance with Section 14 A., or to deliver certificates of coverage within ten (10) days of any written request by Franchisor.

B. Termination by Franchisor with Opportunity to Cure. This Agreement shall terminate, at Franchisor's sole option, without further action by Franchisor or notice to Franchisee if Franchisee or any Franchisee Owner(s), as applicable:

- i) fails or refuses to make payments of a) any amounts due Franchisor, Licensor or any Franchisor Associate or Approved Supplier for Royalty Fees or Franchisor's share of the Gross Revenue, marketing fees, or purchases from Franchisor, Licensor or any such Associate or Approved Supplier, or b) any other fees or amounts due to Franchisor, Licensor or any such Associate or Approved Supplier, or c) fails or refuses to maintain a

bank account with sufficient funds to permit Franchisor or its Affiliates to make electronic debits as provided under this Agreement or any other agreement with Franchisee, or d) otherwise prevents Franchisor or its Affiliates from electronically debiting Franchisee's bank account, and e) does not correct any such failure or refusal within five (5) days after written notice is delivered to Franchisee; or

ii) fails or refuses to use and/or offer for sale Products and Services and/or use Approved Suppliers and Equipment, to the extent required by Franchisor, or offers/sells/uses unauthorized products/services/equipment/suppliers without first obtaining Franchisor's advance written consent, and does not correct such default within five (5) days after written notice of the default is delivered to Franchisee; or

iii) fails or refuses to comply with any other provision of this Agreement, the Consignment Agreement (for Model A franchises), the Supply Agreement (for Model B franchises), and any other agreement with Franchisor or any Franchisor Affiliate, or any mandatory requirement prescribed in any Manual, and does not correct the failure within thirty (30) days of written notice thereof or within any shorter period for cure as may be prescribed under the applicable agreement.

C. Discontinued Products/Services; Costs of Enforcement. If Franchisor delivers a notice of default to Franchisee, Franchisor, Licensor and Franchisor Associates have the right to stop selling and/or providing any goods (Proprietary Products or otherwise) and/or services, including Franchisee's participation in the MINISO Website or intranet or a marketing promotion, until Franchisee has cured all defaults. Franchisee shall pay to Franchisor all damages, costs and expenses, including all costs of collection and reasonable Attorneys' Fees, incurred by Franchisor in connection with the enforcement of any provision of this Agreement, both during and after the termination or expiration of this Agreement, and this obligation shall survive any such termination or expiration.

D. Mutual Termination. If the license agreement between Franchisor and Licensor is terminated or expires, Franchisor's rights, duties and obligations under this Agreement will, at Licensor's sole and absolute discretion, revert to and be accepted by Licensor and/or its designee at its sole election. If Licensor does not elect to accept such a reversion or assignment of Franchisor's rights, duties and obligations under this Agreement, then Franchisor and Franchisee agree that this Agreement shall be deemed to be mutually terminated concurrently with the termination/expiration of Franchisor's license with Licensor. In that event and if Franchisee is not in default of this Agreement, Franchisee will not be required to comply with Franchisee's non-competition obligations under Section 15. C, but will otherwise comply with the post termination provisions of Section 17, below. In the event of a mutual termination under this provision, Franchisor shall not prevent Franchisee from retaining control of the principal place of the Franchised Business.

17. Rights and Duties on Expiration or Termination.

A. Franchisee's Obligations. On termination or expiration of this Agreement, Franchisee and Owner(s) shall:

i) immediately cease directly or indirectly representing to the public or holding itself out as a present or former MINISO franchisee;

ii) immediately and permanently cease using, whether through advertising, the Internet, social media or in any other manner or materials, any Confidential Information, the Copyrighted Works, any Trade Secrets, the Marks and any distinctive designs, slogans, branded or Proprietary Products, signs, symbols, logos or devices associated with the Miniso System, as well as any marks, designs or slogans confusingly similar thereto;

iii) take such action as may be necessary to cancel or to assign to Franchisor or Franchisor's designee, at Franchisor's option, any assumed name or equivalent registration filed with state, city or county authorities that contains the name "MINISO" or any of the Marks or any derivative thereof;

iv) immediately pay all sums owing to Franchisor, Licensor and any Franchisor Associate or any Franchised Business creditor;

v) pay to Franchisor all damages, costs and expenses, including reasonable Attorneys' Fees, incurred by Franchisor after the termination or expiration of the Franchise in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement;

vi) immediately discontinue any use of and, on Franchisor's request and at its option, return to Franchisor or destroy any Manual, instructional program or marketing materials, and any item or materials bearing the Marks;

vii) immediately discontinue domain names, e-mail addresses, Internet key word purchases, social network pages, videos and any other publication on the Internet using the Marks, including Facebook, Snapchat, MySpace, Twitter, YouTube, Pinterest, Instagram, or other social media, and ensure the removal of any such uses from all such sites/media;

viii) comply with the covenants contained in Section 15 of this Agreement to the fullest extent permitted by applicable law;

ix) assign to Franchisor or its designee on Franchisor's request, all of Franchisee's right, title and interest in and to Franchisee's telephone and facsimile numbers for the Franchised Business, and all of Franchisee's right, title and interest in Internet addresses, electronic mail addresses and domain names and shall notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone and facsimile numbers, Internet addresses, electronic mail addresses, domain names and any regular, classified or other telephone directory listings associated with the Marks. Franchisee shall sign and deliver to Franchisor as a pre-condition to opening Franchisee's Store Franchisor's then current form of Telephone Listing Assignment Agreement;

x) immediately remove from the Store premises any MINISO interior and exterior displays and signage and any physical and/or structural features associated with MINISO Stores and Trade Dress and otherwise de-identify the Store so that the Store is clearly distinguished from other MINISO Stores and does not create any public confusion. If immediate removal of exterior signage is not possible because of the necessity of lesser involvement or similar requirements involving leased premises, Franchisee will arrange for immediate coverage of the exterior signage such that it is no longer visible to the public and for the removal of the exterior signage within ten (10) days of the termination or expiration of this Agreement; and

xi) comply with Franchisor's request to purchase, recoup, and/or retrieve Store assets as provided herein. Franchisor has the right (but not the duty), for a period of thirty (30) days after termination or expiration of this Agreement, i) to elect to recoup and/or retrieve at no cost to Franchisor any or all of Franchisee's product inventory; and ii) to purchase any other assets of the Franchised Business that have been purchased by Franchisee, including signs, Equipment, supplies, advertising materials, forms, and software at the lower of Franchisee's cost or fair market value. If the parties cannot promptly agree on fair market value, the fair market value will be determined by an independent appraiser selected by an independent third party designated by Franchisor, and the appraiser's determination shall be final and binding. If Franchisor elects to exercise this option to purchase, recoup and/or retrieve Store assets, it can assign its rights to a designee and also has the right to set off all amounts due Franchisor and any Franchisor Associate from Franchisee under this Agreement, or otherwise against the purchase price.

All obligations under this Section and other terms that expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect until they are satisfied or by their nature expire.

B. No Release. If this Agreement terminates, is transferred or expires, Franchisee shall not be released or discharged from Franchisee's obligations, including payment obligations, unless otherwise provided by Franchisor in writing. If this Agreement is terminated as a result of Franchisee's default, Franchisor also shall be entitled to payment from Franchisee of all amounts which would have become due under this Agreement or any other agreement with Franchisor if Franchisee had continued to operate a franchised MINISO Store for the full term of this Agreement. Franchisor's remedies for default shall include, but are not limited to, the right to collect the present value of these amounts and to receive the benefit of its bargain with Franchisee, as well as to accelerate the balances of any promissory notes owed and to receive any other unpaid amounts owed to Franchisor, Licensor or any Franchisor Associate.

C. Return of Proprietary Products. Franchisor shall have no obligation to repurchase any Proprietary Products or supplies inventory remaining at the terminated Store, unless otherwise required under applicable law. Promptly at Franchisor's request and Franchisee's expense, Franchisee shall return any such Proprietary Products and supplies to a location Franchisor designates. To the extent that Franchisee is licensed to operate any other MINISO Store and provided that there is no adverse effect on quality, Franchisor will permit Franchisee to use such inventory at such other Store(s) to reduce the expense of compliance.

18. Transfer Restrictions.

A. Assignment by Franchisor. Franchisor has an unrestricted right to transfer, assign or otherwise convey this Agreement, and some or all of Franchisor's rights and/or obligations under it, in its sole and absolute discretion, in whole or in part, without Franchisee's consent. Franchisee acknowledges and agrees that Franchisor, Licensor, and/or Franchisor Affiliates may be sold and/or sell any or all of Franchisor's Marks, Trade Secrets, Copyrighted Works or the System and/or other assets, and go public, merge, or acquire other entities, whether or not competitive to Franchisee or Franchisor, without Franchisee's consent.

B. Assignment by Franchisee. Franchisee and Franchisee Owner(s) shall not encumber, assign or otherwise transfer, directly or indirectly, all or any interest in the Store, the Franchised Business assets, or the Franchise Agreement, and no Owner shall transfer any interest in Franchisee, without Franchisor's prior written consent (individually and collectively, a "Transfer"). Any purported Transfer without Franchisor's prior written consent shall be null and void and shall be a material breach of this Agreement. The term "Transfer" includes any voluntary or

involuntary assignment, sale, gift, pledge or any grant of any security or other interest and the following events: i) any transfer of ownership of membership, capital stock or any partnership or similar interest; ii) any merger, consolidation or issuance of additional securities representing an ownership interest in the Franchised Business or the Franchisee; iii) any sale of Franchisee's voting stock; iv) any transfer in a corporate or partnership dissolution, divorce, insolvency proceeding or otherwise by operation of law; v) any transfer of any interest in any revenues, profits, or assets of the Franchised Business which is not in the ordinary course of business; or vi) any Franchise transfer to a Business Entity and/or a trust or similar entity. A Transfer of ownership, possession or control of a Miniso Store, or of its assets, may only be made with a Transfer of the Franchise, unless Franchisor otherwise agrees in writing and in its sole discretion.

C. Conditions for Consent to Transfer to a Wholly-Owned Entity. If Franchisee is one or more natural persons, Franchisor shall not unreasonably withhold consent to a Transfer by Franchisee to a Business Entity wholly-owned by such Franchisee and shall not require payment of the Transfer Fee described in Section 18 D. v), below, provided that Franchisee meets the following conditions, to the extent required by Franchisor, all of which are accepted by Franchisee as reasonable:

- i) The transferee entity/franchisee shall be newly organized with its activities confined exclusively to operating a Miniso Store under this Agreement;
- ii) The individual(s) approved by Franchisor as the Owner(s) of the Franchised Business shall be and shall remain the Owner(s) of the securities or other applicable ownership units for the transferee entity;
- iii) The Owner approved by Franchisor as the Designated Owner shall remain the Designated Owner for the transferee entity;
- iv) The transferee entity shall enter into a written assignment (in a form satisfactory to Franchisor) in which the transferee entity assumes all of Franchisee's obligations under this Agreement;
- v) All Owners of the transferee entity (and each of their respective spouses or domestic partners, to the extent required by Franchisor) shall enter into a written agreement, in a form satisfactory to Franchisor, jointly and severally guaranteeing full payment and performance of the transferee entity's obligations under this Agreement;
- vi) Each certificate representing an ownership interest in the transferee entity and/or the Franchisee shall have conspicuously endorsed on it, and/or the operating agreement shall include, as applicable, a statement that ownership interests are held subject to the restrictions on Transfer provided in this Agreement and copies of such documents, as well as applicable operating agreements, articles of incorporation/organization and bylaws, shall be delivered to Franchisor on request;
- vii) No new shares of stock or membership interests or other indicia of ownership in the transferee entity shall be issued to any person or entity without obtaining Franchisor's prior written consent; and
- viii) Franchisee and all Owners shall execute a General Release prior to any Transfer in a form prescribed by Franchisor.

D. Conditions on all Other Transfers. Except for Transfers made pursuant to Section 18 C., above, Franchisor shall have the right to impose any or all of the following conditions on any proposed Transfer:

- i) the transferee(s) shall have a credit rating and financial/business qualifications reasonably acceptable to Franchisor and otherwise meet Franchisor's then current qualifying criteria for the grant of a Franchise; and Franchisee shall provide Franchisor with information as Franchisor may require to make such determination;
- ii) the transferee(s) or the individual who shall be the Designated Owner of the Franchised Business shall have successfully completed any training programs required by Franchisor for new franchisees and paid the then current initial training fee or shall have otherwise demonstrated to Franchisor's satisfaction sufficient ability to operate the Store being transferred;
- iii) the transferee(s), including Owners of the transferee(s), shall jointly and severally execute any or all of the following, at Franchisor's sole discretion and as Franchisor shall direct: (a) Franchisor's franchise agreement, the Supply Agreement (as applicable), the Consignment Agreement (as applicable), and other standard ancillary agreements with Franchisor on the current standard forms being used by Franchisor, except that an additional Initial Franchise Fee shall not be charged; and/or (b) an assignment from Franchisee in a form satisfactory to Franchisor, under which the transferee shall assume all of Franchisee's obligations under this Agreement; and (c) such personal guarantees and ancillary documents as Franchisor then customarily requires;
- iv) the term of the transferee's franchise shall be for the unexpired term of this Agreement or, at Franchisor's option, for the full term of any franchise agreement signed in connection with the Transfer, as provided in Section 18 D. iii), above;
- v) Franchisor must receive payment of a Ten Thousand Dollars (\$10,000) Transfer Fee on or before the completion of the Transfer;
- vi) Franchisee shall not take or maintain a security interest after a Transfer in the Franchise or the Franchise Agreement or any Franchised Business assets without Franchisor's prior written consent, which Franchisor has an unrestricted right to condition or withhold. If permitted, any security interest will be subordinated to

the Franchisor's rights to payment under the applicable franchise agreement and subject to the conditions to Transfer under the transferee's franchise agreement;

vii) the transferee(s) and Franchisee and each of their respective Owners must sign any consent to Transfer form then customarily requested by Franchisor, which can include a General Release;

viii) the transferee and each transferee Owner shall not be in breach of the franchise agreement upon completion of the Transfer due to interests in Similar Businesses or otherwise;

ix) all amounts due Franchisor, Licensor or any Franchisor Associate and any Franchised Business supplier must be paid in full;

x) each certificate representing an ownership interest in any transferee entity shall have conspicuously endorsed on it, and/or the operating agreement shall include, as applicable, a statement that ownership interests are held subject to the restrictions on Transfer provided in this Agreement and copies of such documents, as well as applicable operating agreements, articles of incorporation/organization and bylaws, shall be delivered to Franchisor on request;

xi) no shares of stock or membership interests or other indicia of ownership in the transferee entity shall be transferred or issued to any person or entity without obtaining Franchisor's prior written consent;

xii) the Franchisee Owner approved by Franchisor as the Designated Owner shall remain the Designated Owner, unless Franchisor approves a substitute at Franchisee's request and in Franchisor's sole discretion; and

xiii) Franchisee's Store facility and its operations must have been brought into full compliance with any Manuals and specifications and System Standards then-applicable for new MINISO Stores.

E. No Release. Franchisor's approval of any Transfer shall in no way be deemed a release by Franchisor of Franchisee's, any Franchisee Owner's or any guarantor's obligations under this Agreement, or of any guarantee, any promissory note or any other agreement related to the Franchise. Franchisor's consent to a Transfer shall not be or be interpreted as a consent to any future Transfer.

19. Death or Incapacity.

If the Franchisee, or if the Franchisee Owner having a controlling interest in a Business Entity Franchisee, dies or is permanently disabled, then his or her interest in this Agreement, the Franchise and/or the Franchisee shall be transferred to a third party, subject to compliance with the provisions of Section 18. A "Permanent Disability" occurs if Franchisee (or the applicable Owner) is not able to personally, actively participate in the operation, oversight and/or management of the Store Franchised Business for one hundred eighty (180) consecutive days. A Transfer under this Section shall be completed within one hundred eighty (180) consecutive days from the date of death or permanent disability. If no Transfer occurs within the prescribed one hundred eighty (180) day period, the Franchise will automatically terminate at the end of such period, unless Franchisor grants an extension in its sole discretion or in compliance with local law.

20. Right of First Refusal.

A. Franchisor's Right. Except for a transfer to a Business Entity wholly owned by Franchisee or among then current owners, Franchisor shall have a right of first refusal to accept the terms of any proposed Transfer of any interest in this Agreement or in Franchisee or the Franchised Business. To enable Franchisor to exercise its right of first refusal, Franchisee shall deliver to Franchisor a written notice stating all the terms of any proposed Transfer and shall provide any additional information Franchisor requests about the proposed transaction, including the purchase and sale agreement and related documents and terms and shall comply with such notice requirements as are provided under applicable law.

B. Additional Rights. If Franchisor exercises its right of first refusal, then in addition i) Franchisor shall have the right to substitute cash for any form of payment proposed in the offer; ii) Franchisor's credit-worthiness shall not be deemed to be less than that of any proposed purchaser; iii) Franchisor shall have at least sixty (60) days after notifying Franchisee of its election to exercise its right of first refusal to prepare for closing; and iv) Franchisor shall be entitled to receive written representations and warranties from Franchisee that Franchisee owns clear title to all assets being sold, transferred or assigned; that all tangible assets being sold, transferred or assigned are in good working condition; that there are no breaches of any contracts affecting the Store; that there are no liabilities of Franchisee that have not been disclosed to Franchisor in writing; that Franchisee and each Owner and Franchisee Affiliate will comply with indemnification and non-competition obligations substantially similar to those required in Sections 14 B. and 15 A., B. and C. of this Agreement; that all sales, transfer and/or similar taxes are to be paid by the transferor; and that all applicable licenses and permits will be transferred to Franchisor at closing, to the extent permitted under applicable law. At Franchisor's request, Franchisee shall take all action necessary to cause the lease for the Store and any other agreements designated by Franchisor, to be assigned to Franchisor.

C. Consent. Within thirty (30) days after Franchisor receives the notice described in 20 A., above, and all requested information, Franchisor shall, in writing, consent or withhold consent to the proposed Transfer, or in accordance with this Section 20, accept for itself or its nominee the Transfer on the terms specified in the notice. Franchisor's failure to notify Franchisee of its decision shall be deemed a withholding of consent. If Franchisor elects not to exercise its right of first refusal and consents to the proposed Transfer, then Franchisee shall be authorized to complete the proposed transaction with the proposed transferee on the terms in the original notice to Franchisor and subject to satisfaction of the conditions contained in Sections 18 B., C. and D. Any material change to any such Transfer terms shall constitute a new proposal, which shall again require compliance with the procedures provided in this Section 20.

21. Nature of Relationship; Independent Contractors.

The parties desire, acknowledge and agree that they are and shall be independent contractors. Nothing in this Agreement shall be construed to create an employer-employee, co-employer relationship, partnership, joint venture, agency or any fiduciary or special relationship. Franchisee shall have no power to, and shall not purport to, obligate Franchisor for any expense, liability or other obligation. Franchisee shall be responsible for all acts and omissions of Franchisee's employees, independent contractors, and representatives, regardless of whether or not Franchisee had actual knowledge of such act or omission. Franchisee is and shall remain at all times completely independent and in business for itself, and shall have no right or interest in any of Franchisor's property or business. Franchisee is not, and shall not hold itself out as, an agent, representative, employee, officer, director, partner, owner or Associate of Franchisor. Franchisee is free to conduct its business in compliance with System Standards as it deems best in providing the Store Products and Services in accordance with this Agreement, independently of the supervision, management and control of Franchisor. Franchisee is solely responsible for hiring, firing, discipline and supervision of its employees, the terms and conditions of their employment and all other matters related to their employment. Franchisor has no management of, control over or involvement in any such employment matters. Franchisee must comply with Franchisor's requirements for identifying Franchisee's Franchised Business and its operations as independently owned and operated and will include notices of independent ownership on forms, business cards, stationery, advertising, signs, media postings and other materials and publications as Franchisor requires. Franchisee will hold itself out as an independent business in all dealings and communications with the public.

22. Non-Waiver.

No delay in enforcing a party's rights after any breach of any term of this Agreement shall be construed as a waiver of any such breach. No waiver will be effective unless in writing and signed by an authorized representative of the signing party. A waiver of any breach of any provision of this Agreement shall not be deemed to be a waiver of any other breach of such provision or any other provision. A party's acceptance of any payment from the other shall not be construed to be a waiver of any breach of this Agreement, unless such waiver is made in writing and signed by the waiving party.

23. Interest and Costs of Collection.

All amounts due from Franchisee to Franchisor, Licensor or any Franchisor Associate shall bear interest after the due date at the higher of the rate of two percent (2%) per month or the highest applicable legal rate for open account business credit allowed under applicable law. This Section is not an agreement to permit or accept payments after they are due or a commitment by Franchisor to extend credit. Franchisee shall pay Franchisor on demand all reasonable costs of collection that Franchisor incurs in connection with any late payments made by Franchisee, including legal costs and Attorneys' Fees.

24. No Accord or Satisfaction; Application of Funds.

Franchisor may accept any check or payment in any amount without prejudice to Franchisor's right to recover the balance of the amount due or to pursue any other right or remedy. Franchisor shall have the sole discretion to apply any payments made by, or on behalf of, Franchisee to any of Franchisee's past due indebtedness owing to Franchisor, Licensor or any Franchisor Associates. Franchisor has the right to set off any amounts it owes to Franchisee against any amounts Franchisee owes to Franchisor, Licensor or to a Franchisor Associate or an Approved Supplier. No restrictive endorsement on any check or in any letter or other communications accompanying any payment shall bind Franchisor, Licensor or any Franchisor Associates.

25. Tax Payments.

As an independent business, Franchisee is solely responsible for Franchisee's and the Franchised Business's periodic filings and payments in connection with all state, federal and/or local taxes, fees and withholdings of every kind, including without limitation, sales taxes, business and/or personal self-employment taxes and income taxes; payroll and payroll taxes for Franchisee's employees; and all social security and other amounts required to be paid or withheld, as well as for worker's compensation insurance as required by law. Neither Franchisor nor Licensor are responsible for any item or expense associated with Franchisee's payroll or for any other compensation or benefits related to Franchisee's employees or independent contractors or Franchisee's MINISO Store. Franchisee is solely responsible for the payment of all sales taxes and other taxes, debts, and obligations of the Franchised Business and will promptly pay and discharge the same as they become due. If any amount to be paid or reimbursed under this Agreement to Franchisor, Licensor or any Franchisor Associates, is subject to any gross receipts taxes, value added taxes, sales taxes, use taxes, personal property taxes and similar taxes imposed on, or required to be collected or paid by Franchisor, Licensor or any Franchisor Associates, then Franchisee must pay or reimburse an additional amount to Franchisor, Licensor or to such Franchisor Associate, as the case may be, so that the amount actually received by Franchisor Licensor or such Franchisor's Associates after such deduction, payment or withholding will equal the full amount payable or reimbursable under this Agreement. If the laws applicable to Franchisee's Store require Franchisee to withhold tax on any payment which Franchisee is obliged to make to the Franchisor, Licensor or any of Franchisors Associates, Franchisee shall timely remit to the appropriate taxing authorities all withholding and/or other taxes and provide Franchisor with proof of payment thereof within five (5) days of such payment. Franchisee also shall do all such other things and take such other steps as may be reasonably required to enable the Franchisor to obtain any tax credit which may be available to it.

26. Notices.

Notices required or permitted under this Agreement shall be sent to the applicable parties at the addresses identified on Schedule A unless a different address has been designated by written notice to the other party. Notices shall be in writing and shall be personally delivered, delivered by commercial delivery service, delivered by certified or registered U.S. mail, return receipt requested, or sent by facsimile or electronic mail transmission, shall be addressed as provided on Schedule A.; and shall be deemed received at the earlier of i) the time of actual receipt; or ii) immediately on transmission by facsimile or email transmission; or iii) one (1) business day after being placed in the hands of a commercial delivery service for overnight delivery; or iv) three (3) business days after placement in the United States Mail by registered or certified mail, return receipt requested, postage prepaid.

27. Entire Agreement.

This Agreement, each Schedule, any addendum and all ancillary agreements signed concurrently with this Agreement contain the parties' entire agreement on the subject matter hereof, and supersede any and all prior and concurrent negotiations, understandings, representations, disclosures and agreements; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by Franchisor in any Disclosure Document that was furnished to Franchisee by Franchisor. This Agreement shall not be binding on either party unless executed in writing by both parties. This Agreement shall not be modified, except by a written amendment signed by both parties; provided, that Franchisor reserves the right to make changes to any franchise policies, Manuals, marketing and advertising requirements, the Marks, and/or System Standards as provided in this Agreement without Franchisee's consent.

28. Severability and Construction.

A. Law Controls; Severable Terms. In any conflict between this Agreement and any applicable law, the law shall prevail, but the provision of this Agreement so affected shall be curtailed and limited only to the extent necessary for such provision to be lawful. This Agreement will be deemed automatically modified to comply with governing law, if such law requires a greater time period for notice of termination of or refusal to renew this Agreement or otherwise. If any provision of this Agreement is held to be indefinite, overbroad, invalid or otherwise unenforceable, the remainder of this Agreement shall continue in full force and effect.

B. Third Party Beneficiaries. Except for indemnification rights held by third party indemnitees or as otherwise expressly provided in this Agreement, nothing in this Agreement is intended, nor shall be construed, to confer on any person or legal entity other than Franchisor or Franchisee and their respective successors and assigns any rights or remedies under or by reason of this Agreement.

C. Headings and Counterparts. Captions and headings are intended solely for the convenience of the parties and shall not be deemed to affect the meaning or construction of any provision of this Agreement. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be signed with full legal force and effect using electronic signatures and records. Executed counterpart signature pages transmitted and delivered by email, pdf or facsimile shall be as effective as an original executed document.

D. Franchisor Exercise of “Sole Discretion” and Other Choices; Express Agreement; Requests for Consent or Approval. When this Agreement includes the phrases “Franchisor’s sole and absolute discretion” and/or “sole discretion” and whenever Franchisor exercises a right, prescribes an action or thing, or otherwise makes a choice or uses discretion, Franchisee and Franchisor agree that Franchisor has the express, unrestricted right to make decisions and/or take (or refrain from taking) actions, as Franchisor deems appropriate. Franchisor shall use its judgment in exercising such discretion based on its assessment of the interests Franchisor considers appropriate and will not be required to consider Franchisee’s individual interests or the interests of any other particular franchisee(s). Franchisor has this right even if a particular decision/action may have negative consequences for Franchisee, a particular franchisee or group of franchisees. Any Franchisee request for approval or consent must be submitted to Franchisor in writing, and any grant by Franchisor of any such approval or consent must be in writing to be effective.

E. Construction. In each instance in which any of them appear in this Agreement, the terms, “include,” “includes,” and “including” shall each be construed to be followed by the words, “without limitation.”

29. Law and Venue.

A. California Law. Except to the extent of the applicability of the Federal Arbitration Act, the U.S. Trademark Act of 1946, and related federal preemption requirements, this Agreement and all other matters concerning Franchisor and Franchisee and/or their respective rights and obligations will be governed by, and construed and enforced in accordance with, the laws of the state of California, without giving effect to any conflict of laws; PROVIDED, i) the provisions of the California Franchise Relations Act and the California Franchise Investment Law and any other California statute, regulation or law regarding franchise offers and sales, business opportunities, and/or franchise relationships shall not apply unless jurisdictional, definitional and other requirements thereof are met independently of this Section; and ii) the provisions of Sections 15 A., B. and C. shall be construed and enforced in accordance with the laws of the state where the claimed breach of such Section(s) occurs.

B. Venue for Disputes. Subject to Section 30, below, and except to the extent prohibited by law or as otherwise provided in any state addenda applicable to Franchisee’s state of residence or of Franchisee’s Franchised Business location, the parties agree that the venue for any litigation arising under or related to this Agreement or the relationship of the parties will be an appropriate state or federal court with jurisdiction in Los Angeles County, California. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision.

30. Dispute Resolution.

A. Process. Except as precluded by law, any dispute, controversy, action or proceeding of any type, including any claim for equitable relief and/or for which Franchisee is acting as a “private attorney general,” suing pursuant to a statutory claim or otherwise (individually and collectively, a “Claim”), between Franchisor, its Licensor and/or other Franchisor Associates, on the one hand, and Franchisee and/or its Affiliates, Owners, and/or any of their respective guarantors, directors, officers, members, shareholders, partners, managers, agents, and/or employees, on the other hand, shall be resolved as provided in this Section 30. Except for a Claim specified in Section 30 D. ii), below, Franchisor and Franchisee agree to mediate any Claim before resorting to arbitration or litigation. Such mediation shall be conducted before a retired judge with Judicial Arbitration and Mediation Services, Inc. (“JAMS”), who shall be jointly selected by the applicable parties. Mediation fees, if any, shall be divided equally between or among the parties involved. If such parties are unable to resolve such Claim(s) through mediation and except as provided in Section 30 D., below, such Claim(s) shall be resolved by binding arbitration as provided in this Section 30. Arbitration shall be conducted before and in accordance with the then-prevailing Commercial Rules of the American Arbitration Association (“AAA”) or its successor and by one arbitrator, who must be a retired judge or a lawyer substantially experienced in franchising. In the event of a conflict between the terms of this Agreement and the then prevailing Commercial Rules of the AAA, the terms of this Agreement shall govern. Any award must be in writing and judgment upon any award rendered may be entered in any court having jurisdiction thereof. The parties shall hold arbitration proceedings, awards, and related discussions confidential, except for such disclosure as may be required by law. Claims which would constitute a compulsory counter-claim, if brought in court under the state law provided in

Section 29 A., must be filed in an arbitration proceeding brought under this Agreement or be barred. The substantive law applied in such arbitration shall be as provided in Section 29 A. The arbitration and the parties' agreement therefor shall be deemed to be self-executing, and if either party fails to appear at any properly-noticed arbitration proceeding, an award may be entered against such party despite said failure to appear. The arbitral decision shall be binding and conclusive on the parties.

B. Arbitrator's Authority. The arbitrator shall decide any questions relating in any way to the parties' agreement to arbitrate, including arbitrability, applicability, subject matter, timeliness, scope, remedies, and any alleged fraud in the inducement, or purportedly void or voidable provisions of the Agreement. The arbitrator can issue summary orders disposing of all or part of a Claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, and other relief by any court having jurisdiction. The subpoena powers of the arbitrator with respect to witnesses to appear at the arbitration proceeding shall not be subject to any geographical limitation. No award in arbitration will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration. Arbitrators in any proceeding under this Section 30 will apply all applicable law, and a failure to apply the applicable law in accordance with Section 29 will be deemed an act in excess of authority and reviewable by the courts, and the parties expressly agree that any arbitration award can be reviewed and overturned by a court for legal error.

C. Location. Any arbitration or mediation will be conducted exclusively at a neutral location in Los Angeles County, California. Franchisee and Franchisor agree that the provisions of this Section will control, notwithstanding any language included in Franchisor's franchise disclosure documents due to state requirements suggesting that the provisions of any Section might be unenforceable due to a failure to have a meeting of the minds or otherwise. Neither Franchisee nor Franchisor has any expectation that the provisions of this (or any other) Section will be unenforceable or that they will not be enforced. Franchisee understands and agrees that one effect of this paragraph may be that arbitration and other related costs may be greater, and it may be more difficult for Franchisee to proceed, than if those proceedings took place in a location near Franchisee's residence or business. If this provision is unenforceable for any reason, arbitration will be conducted at a neutral location reasonably near Franchisee's franchised location.

D. Claims Brought in Court Proceedings or Arbitration. Notwithstanding any other provisions of this Agreement or otherwise, i) either party shall be entitled to seek preliminary or interim injunctive or provisional relief by a court or by arbitration (including, but not limited to, a temporary restraining order and preliminary injunction and injunctive relief concerning rights to real property and possible eviction, all without bond) without showing or proving any actual damage, until such time as a final and binding determination is made by the arbitrator, and ii) any party to this Agreement is entitled to pursue an action for collection of debt(s) owed in either a court or arbitration proceeding when the right to payment has not been in dispute prior to the filing of such an action. The foregoing remedies shall be in addition to, and not in lieu of, all other remedies or rights which the parties might otherwise have by virtue of any breach of this Agreement by the other party.

E. Intention to Arbitrate. Franchisee and Franchisor expressly agree that, notwithstanding any contrary provisions of state or other law, and/or any statements in any disclosure document required by a state or other government as a condition to franchise registration or for some other purpose:

- i) all issues relating to arbitration and/or the enforcement of arbitration-related provisions will be decided by the arbitrator and governed only by the Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the federal common law of arbitration;
- ii) all provisions of this Agreement shall be fully enforced, including but not limited to those provisions relating to arbitration, venue, and choice of law; and
- iii) Franchisee and Franchisor intend to rely upon federal preemption under the Federal Arbitration Act (9 U.S.C. § 1 et seq.) and, as a result, the provisions of this Agreement will be enforced only according to their terms.

F. Survival and Enforcement. The terms of this Section 30 shall survive termination, expiration or cancellation of this Agreement. If any portion of this Section 30 is deemed to be unenforceable for any reason, it shall be modified or restricted, or severed, so as to comply with applicable law and shall be otherwise enforced according to its terms.

G. Attorneys' Fees & Costs. The prevailing party or parties in such lawsuit or arbitration arising out of or related to any Claim shall be entitled to recover, in addition to any relief, its attorneys' fees and costs, including expert witness fees and costs.

H. Terms Applicable to All Proceedings; Damages Limitation; Waiver of Class Action. UNWAIVABLE RIGHTS TO PUNITIVE, EXEMPLARY, MULTIPLE OR SIMILAR DAMAGES FRANCHISEE OR FRANCHISOR MAY HAVE UNDER ANY STATUTE OR REGULATION SHALL BE FULLY EFFECTIVE. OTHERWISE, AND TO THE EXTENT PERMITTED BY LAW, ANY RECOVERY ON ANY CLAIM UNDER THIS AGREEMENT SHALL BE LIMITED TO ACTUAL DAMAGES SUSTAINED BY THE INJURED PARTY, WITH ALL PARTIES WAIVING CLAIMS FOR PUNITIVE, EXEMPLARY, MULTIPLE OR SIMILAR DAMAGES. ANY ARBITRATION OR OTHER PROCEEDING BETWEEN FRANCHISOR OR ANY FRANCHISOR ASSOCIATE AND FRANCHISEE AND ANY FRANCHISEE AFFILIATE OR OWNER SHALL BE BROUGHT AS AN INDIVIDUAL CLAIM AND SHALL NOT BE ARBITRATED OR LITIGATED ON A CLASS-WIDE OR CLASS ACTION BASIS TO THE FULLEST EXTENT PERMITTED BY LAW.

31. Force Majeure.

Except for the payment of monies owed, neither party shall be liable or responsible for any delays or failures to perform as provided in this Agreement due to strikes, lockouts, casualties, acts of God, war, acts of terrorism, government regulation or control or other causes beyond the reasonable control of such parties. Any time period for the performance of an obligation shall be extended by the amount of the delay. This clause shall not apply or not result in an extension of the term of this Agreement.

32. "Franchisee" Defined and Guarantee.

A. Franchisee. As used in this Agreement, the term "Franchisee" shall include the individual(s) or entity defined as "Franchisee" in the introductory paragraph of this Agreement and all persons who succeed to the interest of the original Franchisee by transfer or operation of law, and all Owners, as context requires.

B. Individual Undertakings. By their signatures below, all partners, shareholders, officers, directors, members, managers and governors of a Business Entity Franchisee personally and individually acknowledge and accept the duties and obligations imposed on Franchisee by the terms of this Agreement and any related agreements.

C. Business Entity Franchisee. If Franchisee is at any time a Business Entity, Franchisee agrees that:

i) Franchisee shall at all times be lawfully organized and formed and in good standing under the laws of Franchisee's state of incorporation or formation and have the authority to undertake and perform Franchisee's obligations under this Agreement and all related agreements;

ii) Franchisee's organizational and governing documents will acknowledge the restrictions on transfer contained in this Agreement and ownership documents and certificates will include a comparable legend;

iii) Franchisee will be formed for the sole purpose of operating the Franchised Business and will not conduct any other business;

iv) any permitted changes in the ownership described on Schedule A shall be included in an amended Schedule A to be executed by the parties; and

v) if Franchisee is a Business Entity, Franchisor can require that some or all of Franchisee's Owners (and each of their respective spouses or domestic partners, to the extent required by Franchisor) execute Franchisor's then current form of Guarantee, a current copy of which is attached as Schedule B to this Agreement, but which is subject to change by Franchisor.

33. Franchisor Practices.

Franchisee understands, acknowledges and agrees that Franchisor may have offered Franchises in the past, may currently be offering Franchises and/or may offer Franchises in the future on or with economic and/or other terms, conditions and provisions which may significantly differ from those stated in this Agreement and any related documents. Franchisee further acknowledges that there may be instances in which Franchisor has varied, or will vary, the terms on which Franchisor offers Franchises, the fees Franchisor receives and specific arrangements with a particular franchisee to suit the circumstances of a particular transaction, the particular franchisee's situation or otherwise, in each case in its sole discretion and without liability, to the extent permitted by law.

34. Cumulative Remedies.

Unless otherwise expressly provided under this Agreement, the rights and remedies granted to either Franchisee or Franchisor under this Agreement are cumulative and shall not prohibit either of them from exercising any other right or remedy provided under this Agreement or permitted at law or in equity.

35. Discretionary Enforcement.

Franchisor has the right to prescribe, modify and/or eliminate policies that Franchisee must follow and which may involve marketing restrictions or restrictions on products and/or services that Franchisee can use or provide in Franchisee's Franchised Business, among other matters. Franchisor has the right to permit individual deviations from such policies and subject to such conditions as Franchisor elects, and to choose to not enforce (or to selectively enforce) any provision of this Agreement or any other agreement or standard or policy, whether with respect to Franchisee and/or any other franchisee or other person, in a lawful manner without any liability.

36. Franchisee Acknowledgments.

A. Receipt of this Agreement and the Franchise Disclosure Document. Franchisee represents and acknowledges that i) Franchisee has received, read and understands this Agreement and Franchisor's Franchise Disclosure Document, and ii) that Franchisor has given Franchisee ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement. Franchisee represents and acknowledges that Franchisee received the Franchisor's Franchise Disclosure Document, as required by law and as modified by any applicable state addenda, at least fourteen (14) calendar-days before the date on which Franchisee signed this or any other binding agreement with Franchisor or paid Franchisor any fees or other consideration.

B. Consultation by Franchisee. Franchisee represents that Franchisee has been urged to consult with Franchisee's own advisors with respect to the legal, financial and other aspects of this Agreement, the Franchised Business and the prospects for that business. Franchisee represents that Franchisee has either consulted with such advisors or has purposely declined to do so. Franchisee further acknowledges that any MINISO franchisees are separate and distinct from Franchisor and are independently owned and operated. While Franchisor may encourage Franchisee to speak with MINISO franchisees in connection with Franchisee's evaluation of this franchise opportunity, Franchisee acknowledges that such franchisees (if any) do not act as Franchisor's agents or representatives in providing information to Franchisee, and Franchisor has no obligations or liabilities with respect to any such information, opinions, materials or otherwise.

C. True and Accurate Information. Franchisee represents that all information in Franchisee's applications, financial statements and submissions to Franchisor is true, complete and accurate in all respects, and Franchisee acknowledges that Franchisor is relying upon the truthfulness, completeness and accuracy of such information.

D. Risk. Franchisee represents that Franchisee has conducted an independent investigation of the business contemplated by this Agreement and acknowledges that, like any other business, an investment in the Franchised Business involves business risks and that the success of the venture is dependent upon the business abilities and efforts of Franchisee, among other factors. Franchisee further acknowledges and understands that Franchisor is inexperienced as a franchisor and its franchised System is unproven and subject to revisions and modifications as the franchise business model evolves. Franchisor makes no representations or warranties, express or implied, in this Agreement or otherwise, as to the potential for or likelihood of the success of Franchisee's Franchised Business or of Franchisor's franchise activities.

E. No Fiduciary Relationship or Guarantee of Success; No Related Person/Company Responsibility. Franchisee understands that Franchisee and Franchisor are not entering into a fiduciary relationship and that Franchisor does not furnish or endorse, or authorize its agents or others to furnish any oral or written information concerning actual or potential sales, income, expenses, profits, cash flow, or other financial information, or information from which such data might be ascertained ("Financial Performance Representations"), about franchised or non-franchised businesses. Franchisee represents and acknowledges that it has not received or relied on any Financial Performance Representations or guarantee, express or implied, as to the revenues, profits, sales or likelihood of success of the Franchised Business. Franchisee represents and acknowledges that there have been no representations by Franchisor's officers, directors, employees or agents that are not contained in, or are inconsistent with, the statements made in the Franchise Disclosure Document and this Agreement. Franchisee further

understands that Licensor owns and operates retail stores doing business under the Marks and which sell/use Products and Services like the ones that Franchisee will sell/use in the Store. Franchisee acknowledges that Franchisor is solely responsible for performance of its obligations under this Agreement and that Licensor and any Franchisor Associates have no liability to Franchisee for Franchisor's performance under this Agreement or otherwise.

F. Franchisee Review of Proprietary Product Prices. Franchisee acknowledges that Franchisee has received and considered before signing this Agreement costs and pricing information for Proprietary Products, as defined in Section 13 G., above, sold by Franchisor, Licensor or another Franchisor Associate as of the Effective Date of this Agreement, including, but not limited to, MINISO branded products and accessories. Franchisee further acknowledges that Franchisor, Licensor and Franchisor Associates have the right to be an exclusive supplier of any Products and Services, and that Products and Services, prices and pricing practices all are subject to change.

37. Definitions.

The following definitions apply to terms used this Agreement:

“Accepted Location” – As defined in Section 3 A. and identified on Schedule A.

“Affiliate” – Any Business Entity which controls, is controlled by or is under common control with another Business Entity.

“Agreement” – This Franchise Agreement.

“Approved Suppliers” – As defined in Section 13 D.

“Attorneys’ Fees” – Includes, without limitation, legal fees, whether incurred in preparation of the filing of any written demand or claim, action, hearing, arbitration, or other proceeding to enforce the obligations of this Agreement, or during any such proceeding, plus all costs incurred in connection therewith.

“Business Entity” – Includes a corporation, partnership, joint venture, limited liability company, limited partnership, or other form of business recognized in any jurisdiction. If Franchisee is a Business Entity, then Franchisor has the right to require each of Franchisee's Owners to guarantee Franchisee's performance. Franchisor's current form of Owners' Guarantee is attached as Schedule B of this Franchise Agreement.

“Claim” – As defined in Section 30 A.

“Computer System” – As defined in Section 12 B.

“Confidential Information” – As defined in Sections 8 A. and B.

“Copyrighted Works” – As defined in Section 6.

“Designated Owner” – A person who holds an equity interest in the Franchised Business, is responsible for Store supervision and is identified on Schedule A, as applicable.

“Effective Date” – The date this Franchise Agreement is made, as provided on the first page and in the first paragraph of this Agreement.

“Equipment” – Includes all counters; furniture; display racks, bins, baskets, and shelving; cashier desks; refrigerators; tables; small wares, and other assets authorized by Franchisor from time to time for use or sale at or from Franchisee's MINISO Store and/or in association with the Marks and in each case only as approved by Franchisor and subject to change or elimination by Franchisor.

“Expiration Date” – The date this Franchise Agreement ends, as noted on first page of this Franchise Agreement.

“Family Member” – As defined in Section 15 B.

“Financial Performance Representations” – As defined in Section 36 E.

“Franchise” – The license to operate a MINISO Store business according to System Standards, providing only Products and Services approved by Franchisor and using the System and Marks in compliance with the terms of this Agreement.

“Franchise Fee” – As defined in Section 11 A.

“Franchised Business” – As defined in Section 1 A.

“Franchisee” – As defined in the introductory paragraph of this Franchise Agreement and in Section 32 A.

“Franchisee-sourced Local Purchase Products” – As defined in Section 11 B.

“Franchisor” – Miniso Depot Franchisor LLC

“Franchisor Associates” – USA Miniso Depot, Inc.; Miniso Depot Management Service LLC; Miniso Depot Investment LLC; Miniso Depot California, Inc.; Miniso Depot Financial, Inc.; and each of their respective current and future shareholders, members, partners, managers, trustees, directors, officers, employees, agents, attorneys, and representatives, as well as Miniso Depot Franchisor LLC’s current and future shareholders, members, partners, managers, trustees, directors, officers, employees, agents, attorneys, and representatives.

“General Release” – A general release, in the then-current form prescribed by Franchisor at the time such release is to be delivered, of any and all claims, liabilities and/or obligations, of any nature whatsoever, including those existing as of, and/or arising before, the date of any such release, however arising, known or unknown, whether against Franchisor, Licensor and/or any Franchisor Associates or any of their respective shareholders, members, managers, officers, directors, partners, employees, agents and representatives, and whether by Franchisee, any Franchisee Owner (if Franchisee is or becomes a Business Entity) and/or any Affiliate of any of the foregoing. A copy of Franchisor’s general releasing language (which is subject to change) is attached as Schedule C and is approved by Franchisee.

“Gross Revenues” – All charges and/or revenues that are earned or received by Franchisee in the operation of the Franchised Business, less sales tax collected and paid when due to the appropriate taxing authority and actual customer refunds, adjustments and credits.

“Indemnified Parties” – As defined in Section 14 B.

“Initial Franchise Fee” – As defined in Section 11 A.

“Initial Term” – As defined in Section 2 A.

“Licensor” – As defined in the Recitals of this Franchise Agreement.

“Manual” – If published and as described in the Recitals of this Franchise Agreement and discussed in Section 7.

“Marketing Fund” or “Fund” – As defined in Section 10 C.

“Marks” – The trademarks, service marks and other commercial symbols now and/or in the future owned by (or licensed to) Franchisor to identify the Services and Products offered in MINISO Stores, including “MINISO & Design,” MINISO and other logos and identifiers designated by Franchisor from time to time.

“Miniso-sourced Local Purchase Products” – As defined in Section 11 B.

“Opening Period Deadline” – As defined in Section 3 D.

“Owner” – Any holder, direct or indirect, of a legal or beneficial interest in a Business Entity Franchisee or Franchisor, as the context requires, including, but not limited to, any such shareholder, member, manager or partner.

“Permanent Disability” – As defined in Section 19.

“Products” – Goods authorized by Franchisor from time to time for use or sale at or from Franchisee’s MINISO Store and/or in association with the Marks and in each case only as approved by Franchisor and subject to change or elimination by Franchisor, including without limitation signage, inventory, food and beverages, and assets for the Franchised Business.

“Proprietary Products” – As defined in Section 13 G.

“Renewal” – As defined in Section 2 A.

“Renewal Fee” – As defined in Section 2 B.

“Royalty Fee” – As defined in Section 11 B.

“Security Deposit” – As defined in Section 11 C.

“Services” – Services authorized by Franchisor from time to time for use or sale at or from Franchisee’s MINISO Store and/or in association with the applicable Marks and in each case only as approved by Franchisor and subject to change or elimination by Franchisor.

“Similar Business” – As defined in Section 15 B.

“Store” or “MINISO Store” – The MINISO business Franchisee is franchised to operate when Franchisee signs this Agreement, as defined in the opening paragraphs of this Agreement.

“Store Maintenance Activities” – As defined in Section 13 B.

“Store Update” – As defined in Section 13 B.

“System” – As defined in the opening recital of this Agreement and inclusive of the Marks, Copyrighted Works and Trade Secrets, all of which Franchisor may continue to develop and change over time and with which Franchisee must comply.

“System Standards” – Standards, specifications, and any mandatory policies and rules prescribed by Franchisor in its sole and absolute discretion from time to time, in any Manual or other written publication, applicable to operations, training, inventory, Equipment, Store layout and design, Approved Suppliers and approved Products and Services, marketing and other aspects of MINISO Store businesses. For avoidance of doubt, neither the System Standards nor any Manual shall mandate personnel policies or procedures for Franchisee to establish in Franchisee’s Franchised Business, including those relating to hiring, firing, discipline, wages, scheduling and other terms and conditions of employment for Franchisee’s employees and contractors. Franchisee is solely responsible for establishing such policies and procedures, for managing and supervising Franchisee’s staff and for compliance with wage and hours laws, workers compensation laws and other laws and regulations relating to Franchisee’s employees and their employment.

“Term” – As defined in Section 2 A.

“Trade Dress” – The distinctive MINISO Store design and image which you are licensed to use under the Franchise Agreement and which is subject to change by Franchisor at any time and in its sole discretion.

“Trade Secrets” – Information that is proprietary to Franchisor and/or its Licensor/Associate(s), including a formula, procedure, pattern, compilation, program, receipt, formula, customer lists and related data, device, discovery, invention, method, technique or process, that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and/or is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

“Transfer” – As defined in Section 18 B.

“Transfer Fee” – As defined in Section 18 D. v).

“Website” or “MINISO Website” – As defined in Section 10 D.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties, intending to be legally bound, have executed this Agreement on the day and year first above written.

THIS AGREEMENT WILL NOT BECOME EFFECTIVE UNLESS AND UNTIL SIGNED BY FRANCHISOR.

FRANCHISOR:

Miniso Depot Franchisor LLC
a California limited liability company

By: _____
Printed Name

Title: _____

Sign here if "Franchisee" is a natural person

FRANCHISEE (Individual[s])

Signature

Printed Name

Signature

Printed Name

Sign here if "Franchisee" is a type of business entity

FRANCHISEE (Corp., LLC or Partnership)

Legal Name of Franchisee Entity

a _____
Jurisdiction of Formation Corporation, LLC or Partnership

By: _____
Print Name

Signature

Title

SCHEDULE A TO THE FRANCHISE AGREEMENT
FRANCHISEE OWNERS, DESIGNATED OWNER AND ACCEPTED LOCATION

Franchisee: _____

Franchisee Owners (Holders of Legal or Beneficial Interest):

Name: _____

Name: _____

Position/Title: _____

Position/Title: _____

Home Address: _____

Home Address: _____

Telephone No.: _____

Telephone No.: _____

E-mail address: _____

E-mail address: _____

Percentage of ownership: _____%

Percentage of ownership _____%

Name: _____

Name: _____

Position/Title: _____

Position/Title: _____

Home Address: _____

Home Address: _____

Telephone No.: _____

Telephone No.: _____

E-mail address: _____

E-mail address: _____

Percentage of ownership: _____%

Percentage of ownership _____%

Designated Owner

The Designated Owner is _____. A change in the Designated Owner requires Franchisor's advance written consent.

Any notice or information delivered to the Designated Owner by Franchisor shall be deemed delivered or provided to all Owners of the Franchised Business and of Franchisee, if Franchisee is a Business Entity. Franchisee and Owners agree that Franchisor may rely on information, direction and representations made by such Designated Owner and that such information/direction/representations are authorized by and made on behalf of Franchisee and each Franchise Owner.

Addresses for Notices

The Addresses for Notices are as follows:

Franchisor: _____

E-Mail: _____

Franchisee: _____

E-Mail: _____

Accepted Location

(Insert Street Address, City, State)

(Signatures on Next Page; to be signed when Accepted Location is identified above.)

IN WITNESS WHEREOF, each of the undersigned has executed this Schedule A on the day and year noted below.

FRANCHISOR:

Miniso Depot Franchisor LLC
a California limited liability company

By: _____
Printed Name

Title: _____

Date: _____

Sign here if "Franchisee" is a natural person

FRANCHISEE (Individual[s])

Signature

Printed Name

Date: _____

Signature

Printed Name

Date: _____

Sign here if "Franchisee" is a type of business entity

FRANCHISEE (Corp., LLC or Partnership)

Legal Name of Franchisee Entity

a _____
Jurisdiction of Formation Corporation, LLC or Partnership

By: _____
Print Name

Signature

Title

Date: _____

**SCHEDULE B TO THE FRANCHISE AGREEMENT
GUARANTEE AND ASSUMPTION OF OBLIGATIONS**

THIS GUARANTEE AND ASSUMPTION OF OBLIGATIONS (the "Guarantee") is given this ____ day of _____, 20____, (the "Effective Date") by _____ (individually and collectively, the "Guarantor").

In consideration of, and as an inducement to, the execution of the Franchise Agreement or the consent to transfer of even date with this Guarantee by Miniso Depot Franchisor LLC (the "Franchisor"), each of the undersigned Guarantors hereby personally and unconditionally (1) guarantees to Franchisor and its successors and assigns, for the term of the Franchise Agreement and thereafter as provided in the Franchise Agreement, that: (Franchisee Name) _____ (the "Franchisee") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Franchise Agreement; and (2) shall personally be bound by, and personally liable for the breach of each and every provision in the Franchise Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities including, without limitation, the provisions of Section 15. Each of the undersigned waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (4) any right it may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (5) any and all other notices and legal or equitable defenses to which it may be entitled.

Each of the undersigned consents and agrees that: (1) its direct and immediate liability under this Guarantee shall be joint and several; (2) it shall render any payment or performance required under the Franchise Agreement on demand if Franchisee fails or refuses punctually to do so; (3) such liability shall not be contingent or conditioned on pursuit by Franchisor of any remedies against Franchisee or any other person; and (4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that Franchisor may from time to time grant to Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this Guarantee, which shall be continuing and irrevocable during the term of the Franchise Agreement (and any extensions), for so long as any performance is or might be owed under the Franchise Agreement by Franchisee/Franchisee's owners, and for so long as Franchisor has any cause of action against Franchisee or Franchisee's owner(s).

Guarantors acknowledge having read and understood the Franchise Agreement and the undersigned agree that this Guarantee and all other matters concerning Franchisor and Guarantors and/or their respective rights and obligations will be governed by, and construed and enforced in accordance with the dispute resolution provisions of Sections 29 and 30 of the Franchise Agreement, as though Guarantors were "Franchisee" for purposes of such Sections. Sections 29 and 30 are attached to this Guarantee and incorporated by reference.

IN WITNESS WHEREOF, each of the undersigned has here unto affixed his or her signature on the day and year noted above.

(Signatures on Next Page)

GUARANTOR(S)

PERCENTAGE OF OWNERSHIP
OF ENTITY FRANCHISEE

Signature _____%

Print Name

Signature _____%

Print Name

Signature _____%

Print Name

ENTITY FRANCHISEE (Corp., LLC or Partnership)

Legal Name of Entity

a _____
Jurisdiction of Formation Corporation, LLC or Partnership

By: _____
Print Name

Signature

Title

**Sections 29 and 30 of the Franchise Agreement
(Attachment to Guarantee)**

“29. Law and Venue

A. California Law. Except to the extent of the applicability of the Federal Arbitration Act and related federal preemption requirements, this Agreement and all other matters concerning Franchisor and Franchisee and/or their respective rights and obligations will be governed by, and construed and enforced in accordance with, the laws of the state of California, without giving effect to any conflict of laws; PROVIDED, i) the provisions of the California Franchise Relations Act and the California Franchise Investment Law and any other California statute, regulation or law regarding franchise offers and sales, business opportunities, and/or franchise relationships shall not apply unless jurisdictional, definitional and other requirements thereof are met independently of this Section; and ii) the provisions of Sections 15 A., B. and C. shall be construed and enforced in accordance with the laws of the state where the claimed breach of such Section(s) occurs.

B. Venue for Disputes. Subject to Section 30, below, and except to the extent prohibited by law or as otherwise provided in any state addenda applicable to Franchisee's state of residence or of Franchisee's Franchised Business location, the parties agree that the venue for any litigation arising under or related to this Agreement or the relationship of the parties will be an appropriate state or federal court with jurisdiction in Los Angeles County, California. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision.

30. Dispute Resolution

A. Process. Except as precluded by law, any dispute, controversy, action or proceeding of any type, including any claim for equitable relief and/or for which Franchisee is acting as a “private attorney general,” suing pursuant to a statutory claim or otherwise (individually and collectively, a “Claim”), between Franchisor, its Licensor and/or other Franchisor Associates, on the one hand, and Franchisee and/or its Affiliates, Owners, and/or any of their respective guarantors, directors, officers, members, shareholders, partners, managers, agents, and/or employees, on the other hand, shall be resolved as provided in this Section 30. Except for a Claim specified in Section 30 D. ii), below, Franchisor and Franchisee agree to mediate any Claim before resorting to arbitration or litigation. Such mediation shall be conducted before a retired judge with Judicial Arbitration and Mediation Services, Inc. (“JAMS”), who shall be jointly selected by the applicable parties. Mediation fees, if any, shall be divided equally between or among the parties involved. If such parties are unable to resolve such Claim(s) through mediation and except as provided in Section 30 D., below, such Claim(s) shall be resolved by binding arbitration as provided in this Section 30. Arbitration shall be conducted before and in accordance with the then-prevailing Commercial Rules of the American Arbitration Association (“AAA”) or its successor and by one arbitrator, who must be a retired judge or a lawyer substantially experienced in franchising. In the event of a conflict between the terms of this Agreement and the then prevailing Commercial Rules of the AAA, the terms of this Agreement shall govern. Any award must be in writing and judgment upon any award rendered may be entered in any court having jurisdiction thereof. The parties shall hold arbitration proceedings, awards, and related discussions confidential, except for such disclosure as may be required by law. Claims which would constitute a compulsory counter-claim, if brought in court under the state law provided in Section 29 A., must be filed in an arbitration proceeding brought under this Agreement or be barred. The substantive law applied in such arbitration shall be as provided in Section 29 A. The arbitration and the parties' agreement therefor shall be deemed to be self-executing, and if either party fails to appear at any properly-noticed arbitration proceeding, an award may be entered against such party despite said failure to appear. The arbitral decision shall be binding and conclusive on the parties.

B. Arbitrator's Authority. The arbitrator shall decide any questions relating in any way to the parties' agreement to arbitrate, including arbitrability, applicability, subject matter, timeliness, scope, remedies, and any alleged fraud in the inducement, or purportedly void or voidable provisions of the Agreement. The arbitrator can issue summary orders disposing of all or part of a Claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, and other relief by any court having jurisdiction. The subpoena powers of the arbitrator with respect to witnesses to appear at the arbitration proceeding shall not be subject to any geographical limitation. No award in arbitration will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration. Arbitrators in any proceeding under this Section 30 will apply all applicable law, and a failure to apply the applicable law in accordance with Section 29 will be deemed an act in excess of authority and reviewable by the courts, and the parties expressly agree that any arbitration award can be reviewed and overturned by a court for legal error.

C. Location. Any arbitration or mediation will be conducted exclusively at a neutral location in Los Angeles County, California. Franchisee and Franchisor agree that the provisions of this Section will control, notwithstanding any language included in Franchisor's franchise disclosure documents due to state requirements suggesting that the provisions of any Section might be unenforceable due to a failure to have a meeting of the minds or otherwise. Neither Franchisee nor Franchisor has any expectation that the provisions of this (or any other) Section will be unenforceable or that they will not be enforced. Franchisee understands and agrees that one effect of this paragraph may be that arbitration and other related costs may be greater, and it may be more difficult for Franchisee to proceed, than if those proceedings took place in a location near Franchisee's residence or business. If this provision is unenforceable for any reason, arbitration will be conducted at a neutral location reasonably near Franchisee's franchised location.

D. Claims Brought in Court Proceedings or Arbitration. Notwithstanding any other provisions of this Agreement or otherwise, i) either party shall be entitled to seek preliminary or interim injunctive or provisional relief by a court or by arbitration (including, but not limited to, a temporary restraining order and preliminary injunction and injunctive relief concerning rights to real property and possible eviction, all without bond) without showing or proving any actual damage, until such time as a final and binding determination is made by the arbitrator, and ii) any party to this Agreement is entitled to pursue an action for collection of debt(s) owed in either a court or arbitration proceeding when the right to payment has not been in dispute prior to the filing of such an action. The foregoing remedies shall be in addition to, and not in lieu of, all other remedies or rights which the parties might otherwise have by virtue of any breach of this Agreement by the other party.

E. Intention to Arbitrate. Franchisee and Franchisor expressly agree that, notwithstanding any contrary provisions of state or other law, and/or any statements in any disclosure document required by a state or other government as a condition to franchise registration or for some other purpose:

- i) all issues relating to arbitration and/or the enforcement of arbitration-related provisions will be decided by the arbitrator and governed only by the Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the federal common law of arbitration;
- ii) all provisions of this Agreement shall be fully enforced, including but not limited to those provisions relating to arbitration, venue, and choice of law; and
- iii) Franchisee and Franchisor intend to rely upon federal preemption under the Federal Arbitration Act (9 U.S.C. § 1 et seq.) and, as a result, the provisions of this Agreement will be enforced only according to their terms.

F. Survival and Enforcement. The terms of this Section 30 shall survive termination, expiration or cancellation of this Agreement. If any portion of this Section 30 is deemed to be unenforceable for any reason, it shall be modified or restricted, or severed, so as to comply with applicable law and shall be otherwise enforced according to its terms.

G. Attorneys' Fees & Costs. The prevailing party or parties in such lawsuit or arbitration arising out of or related to any Claim shall be entitled to recover, in addition to any relief, its attorneys' fees and costs, including expert witness fees and costs.

H. Terms Applicable to All Proceedings; Damages Limitation; Waiver of Class Action. UNWAIVABLE RIGHTS TO PUNITIVE, EXEMPLARY, MULTIPLE OR SIMILAR DAMAGES FRANCHISEE OR FRANCHISOR MAY HAVE UNDER ANY STATUTE OR REGULATION SHALL BE FULLY EFFECTIVE. OTHERWISE AND TO THE EXTENT PERMITTED BY LAW, ANY RECOVERY ON ANY CLAIM UNDER THIS AGREEMENT SHALL BE LIMITED TO ACTUAL DAMAGES SUSTAINED BY THE INJURED PARTY, WITH ALL PARTIES WAIVING CLAIMS FOR PUNITIVE, EXEMPLARY, MULTIPLE OR SIMILAR DAMAGES. ANY ARBITRATION OR OTHER PROCEEDING BETWEEN FRANCHISOR OR ANY FRANCHISOR ASSOCIATE AND FRANCHISEE AND ANY FRANCHISEE AFFILIATE OR OWNER SHALL BE BROUGHT AS AN INDIVIDUAL CLAIM AND SHALL NOT BE ARBITRATED OR LITIGATED ON A CLASS-WIDE OR CLASS ACTION BASIS TO THE FULLEST EXTENT PERMITTED BY LAW.

CALIFORNIA FRANCHISEES/FRANCHISE OWNERS SUBSTITUTE THE FOLLOWING LANGUAGE FOR SECTION 30.B:

B. Arbitrator's Authority. The arbitrator shall decide any questions relating in any way to the parties' agreement to arbitrate, including arbitrability, applicability, which, if any, party(ies) are prevailing for purposes of Section 30 G., subject matter, timeliness, scope, remedies, and any alleged fraud in the inducement, or purportedly void or voidable provisions of the Agreement. The arbitrator can issue summary orders disposing of all or part of a Claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and

delivery proceedings, temporary protective orders, receiverships and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, and other relief by any court having jurisdiction. The subpoena powers of the arbitrator with respect to witnesses to appear at the arbitration proceeding shall not be subject to any geographical limitation. No award in arbitration will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration. Arbitrators in any proceeding under this Section 30 will apply all applicable law, and a failure to apply the applicable law in accordance with Section 29 will be deemed an act in excess of authority and reviewable by the courts, and the parties expressly agree that any arbitration award can be reviewed and overturned by a court for legal error. If required by applicable law for any arbitration provision to be enforceable (for example, to preserve constitutionally or statutorily provided rights), the arbitrator can, as soon as possible, appropriately allocate between Franchisee and Franchisor the fees of the arbitrator(s) and/or his/her related organization, or require an advance of a portion of such fees subject to possible reimbursement, or otherwise address such issues so as to allow the arbitration to proceed and can adjust such allocations appropriately during the arbitration process for such purpose. Either party can in its discretion advance the other party's portion of the initial case filing fees paid to the American Arbitration Association, or successor organization, for an arbitration matter pursuant to this Agreement.

**SCHEDULE C TO THE FRANCHISE AGREEMENT
CURRENT FORM OF
RELEASING LANGUAGE
(SUBJECT TO CHANGE BY FRANCHISOR)**

NOT TO BE SIGNED WITH THE FRANCHISE AGREEMENT

Release - General Provisions. The Franchisee(s), together with any Owner of the Franchisee (if the Franchisee(s) are or become a Business Entity), on their own behalf and on behalf of each of their respective Affiliates, shareholders, members, managers, partners, officers, directors, employees, agents, representatives, successors and assigns (collectively, the "Franchisee Parties"), hereby release and forever discharge each and all of the Franchisor-Related Persons/Entities (as defined below) of and from any and all causes of action, in law or in equity, suits, debts, liens, defaults under contracts, leases, agreements or promises, liabilities, claims, demands, damages, losses, costs or expenses, of any nature whatsoever, howsoever arising, **known or unknown**, fixed or contingent, past or present, that the Franchisee Parties (or any of them) now has or may hereafter have against any or all of the Franchisor-Related Persons/Entities by reason of any matter, cause or thing whatsoever from the beginning of time to the date hereof (the "Claims"), it being the mutual intention of the parties that this release be unqualifiedly general in scope and effect and that any Claims against any of the Franchisor-Related Persons/Entities are hereby forever canceled and forgiven; provided that this Release shall not apply to any Claims arising from representations in any Franchise Disclosure Document received by Franchisee Parties, or any of them, in connection with the acquisition of a Miniso Franchise, or any Claims for violations of federal and/or state franchise registration and disclosure laws or state franchise relationship laws, to the extent such a release is precluded by applicable law (individually and collectively, "Excluded Matters").

THE FRANCHISEE PARTIES ACKNOWLEDGE THAT THEY ARE FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES AS FOLLOWS:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS/HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM/HER MUST HAVE MATERIALLY AFFECTED HIS/HER SETTLEMENT WITH THE DEBTOR."

THE FRANCHISEE PARTIES, BEING AWARE OF THIS CODE SECTION, HEREBY EXPRESSLY WAIVE ALL OF THEIR RIGHTS THEREUNDER AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT OF ANY APPLICABLE JURISDICTION, INCLUDING, WITHOUT LIMITATION, CALIFORNIA AND/OR JURISDICTIONS OF FRANCHISEE PARTIES' RESIDENCE AND THE LOCATION OF FRANCHISED UNIT; EXCEPTING ONLY THOSE CLAIMS SOLELY RELATED TO EXCLUDED MATTERS.

The Franchisee Parties expressly assume the risk of any mistake of fact or fact of which they may be unaware or that the true facts may be other than any facts now known or believed to exist by Franchisee Parties, and it is the Franchisee Parties intention to forever settle, adjust and compromise any and all present and/or future disputes with respect to all matters from the beginning of time to the date of this document finally and forever and without regard to who may or may not have been correct in their understanding of the facts, law or otherwise. All releases given by the Franchisee Parties are intended to constitute a full, complete, unconditional and immediate substitution for any and all rights, claims, demands and causes of action whatsoever which exist, or might have existed, on the date of this document. The Franchisee Parties represent and warrant that they have made such independent investigation of the facts, law and otherwise pertaining to all matters discussed, referred to or released in or by this document as the Franchisee Parties, in the Franchisee Parties' independent judgment, believe necessary or appropriate. The Franchisee Parties have not relied on any statement, promise, representation or otherwise, whether of fact, law or otherwise, or lack of disclosure of any fact, law or otherwise, by the Franchisor-Related Persons/Entities or anyone else, not expressly set forth herein, in executing this document and/or the related releases.

Franchisee(s) Initials: _____ N/A _____

Franchisee Owner(s) Initials: _____ N/A _____

No Assignment or Transfer of Interest. The Franchisee Parties represent and warrant that there has been, and there will be, no assignment or other transfer of any interest in any Claims that the Franchisee Parties may have against any or all of the Franchisor-Related Persons/Entities, all Claims having been fully and finally extinguished, and the Franchisee Parties agree to forever indemnify and hold the Franchisor-Related Persons/Entities harmless from any liability, claims, demands, damages, losses, costs, expenses or Attorneys' Fees incurred by any of the Franchisor-Related Persons/Entities as a result of any person asserting any interest in any of the Claims and/or any voluntary, involuntary or other assignment or transfer, or any rights or claims under any assignment, transfer or

otherwise. It is the intention of the parties that this indemnity does not require payment by any of the Franchisor-Related Persons/Entities as a condition precedent to recovery against the Franchisee Parties under this indemnity.

Attorneys' Fees. If the Franchisee Parties, or anyone acting for, or on behalf of, the Franchisee Parties or claiming to have received, by assignment or otherwise, any interest in any of the Claims, commence, join in, or in any manner seek relief through any suit (or otherwise) arising out of, based upon or relating to any of the Claims released hereunder or in any manner asserts against all or any of the Franchisor-Related Persons/Entities any of the Claims released hereunder, the Franchisee Parties agree to pay all Attorneys' Fees and other costs incurred by any of the Franchisor-Related Persons/Entities in defending or otherwise responding to said suit or assertion directly to the Franchisor-Related Persons/Entities incurring such costs.

"Franchisor-Related Persons/Entities." Miniso Depot Franchisor, LLC; USA Miniso Depot, Inc.; Miniso Depot Management Service LLC; Miniso Depot Investment LLC; Miniso Depot California, Inc.; Miniso Depot Financial, Inc.; and their respective affiliates, and each of their respective predecessors, successors and assigns, and the shareholders, officers, directors, members, managers, partners, agents, employees, attorneys, heirs, executors and representatives of each of the foregoing, whether past, current or future.

Date of Releases, Joint and Several Liability. The releases granted hereunder will be deemed effective as of the date hereof. The liabilities and obligations of each of the Franchisee Parties (and any other person/entity providing releases to the Franchisor-Related Persons/Entities) will be joint and several.

**SCHEDULE D TO THE FRANCHISE AGREEMENT
ADA AND RELATED CERTIFICATIONS**

(To be signed and delivered to Franchisor as a Store pre-opening requirement)

Miniso Depot Franchisor LLC ("Franchisor") and _____ ("Franchisee") are parties to the Franchise Agreement dated _____ (the "Agreement"), for the operation of a Miniso Store business at _____ (the "Store").

In accordance with Section 3 D. of the Agreement, Franchisee certifies to Franchisor that the Store and its adjacent areas comply with all applicable federal, state and local laws, statutes, codes, rules, regulations and standards, including but not limited to the Americans with Disabilities Act as Amended and all local zoning regulations and building codes. Franchisee acknowledges that it is an independent contractor and the requirement of this certification by Franchisor does not constitute ownership, control, leasing or operation of the Store. Franchisee acknowledges that Franchisor has relied on the information contained in this certification. Furthermore, Franchisee agrees to defend, indemnify and hold harmless Franchisor and Franchisor Affiliates, and each of their respective predecessors, successors and assigns, and the shareholders, officers, directors, members, managers, partners, agents, employees, attorneys, heirs, executors and representatives of each of the foregoing, whether past, current or future) in connection with any and all claims, losses, costs, expenses, liabilities, compliance costs, and damages incurred by such indemnified party(ies) as a result of any matters associated with Franchisee's compliance (or failure to comply) with the Americans with Disabilities Act as Amended, all local zoning regulations and building codes and otherwise, as well as the costs, including Attorneys' Fees, related to the same.

Sign here if "Franchisee" is a natural person

FRANCHISEE (Individual[s])

Signature

Signature

Printed Name

Printed Name

Date: _____

Date: _____

Sign here if "Franchisee" is a type of business entity

FRANCHISEE (Corp., LLC or Partnership)

Legal Name of Franchisee Entity

a _____
Jurisdiction of Formation Corporation, LLC or Partnership

By: _____ Date: _____

Print Name

Signature

Title

**SCHEDULE E TO THE FRANCHISE AGREEMENT
OWNER NON-COMPETE, NON-DISCLOSURE AND
CONFIDENTIALITY AGREEMENT**

(NOT FOR CALIFORNIA FRANCHISE OWNERS)

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement for the operation of a Miniso store ("Store"), and any revisions, modifications and amendments thereto, (hereinafter collectively the "Franchise Agreement") dated _____, 20__, by and between Miniso Depot Franchisor LLC (hereinafter "Franchisor") and _____ (hereinafter "Franchisee"), the undersigned ("Owner") agrees as follows:

1. Non-Solicitation and In Term Non-Competition Covenants. Owner acknowledges that as a result of Owner's equity position in Franchisee, Owner may receive valuable Confidential Information, as that term is defined below, and other proprietary information of Franchisor's or its affiliates. Owner covenants that, during the term of the Franchise Agreement and subject to the post-termination provisions contained therein and any applicable addendum to the Agreement, and except as otherwise approved in writing by Franchisor, Owner will not, either directly or indirectly, for himself/herself or through, on behalf of or in conjunction with any Family Members or other person, persons, partners or entity:

- i) have any direct or indirect interest anywhere in any Similar Business, or in any entity granting franchises or licenses or establishing joint ventures for the operation of Similar Businesses; or
- ii) provide any financial support or perform any services anywhere as an employee, agent, representative, consultant or in any capacity of any kind for any Similar Business, or for any entity granting franchises or licenses or establishing joint ventures to operate Similar Businesses.

For purposes of this Agreement, i) a "Similar Business" is any business or enterprise that markets or sells MINISO products, fast fashion clothing and accessories, and other distinctive MINISO sales items and goods where such goods comprise more than twenty percent (20%) of sales for such business/enterprise; and ii) "Family Members" include an individual and his/her spouse and/or domestic partner, and their respective mother, father, brother, sister, son, and daughter.

2. Post Term Covenants. Owner covenants that, except as otherwise approved in writing by Franchisor, for a continuous uninterrupted period commencing upon the expiration or termination of the Franchise Agreement, regardless of the cause for termination, and continuing for two (2) years thereafter, Owner will neither directly nor indirectly, for itself or through, on behalf of or in conjunction with any person, persons, partnership or corporation:

- i) have any direct or indirect interest in any Similar Business within a radius of ten (10) miles of Franchisee's MINISO Store location or the location of any MINISO Store; or
- ii) provide any financial support or perform any services as an employee, agent, representative, consultant or in any capacity of any kind for any Similar Business within a radius of ten (10) miles of Franchisee's MINISO Store location or the location of any MINISO Store; or
- iii) have any direct or indirect interest anywhere in, or provide any financial support to, any entity granting franchises or licenses or establishing joint ventures for the operation of Similar Businesses, or perform any services anywhere as an employee, agent, representative, consultant or in any capacity of any kind for any such entity.

3. Non-Use and Non-disclosure Covenants. Owner agrees to protect as confidential, and not to disclose to any person or entity any Confidential Information, either directly or indirectly, except as may be required for the fulfillment of Owner's and/or Franchisee's obligations under the Franchise Agreement. For purposes of this Agreement, Confidential Information includes in any form current and future:

- i) any manuals, techniques, processes, display standards and strategies, instructional materials and curricula, any proprietary information, policies, procedures, systems, data, and know how regarding the establishment, operation and franchising of MINISO Stores;
- ii) MINISO layouts and designs, specifications for any MINISO customized products and services, and supplier lists and related agreements, pricing and terms; and
- iii) trade secrets and other non-public information regarding the System or MINISO Stores, including potential location plans, System statistics, profits, financial data, marketing plans, business strategies, Store performance information, customer lists and related data for all MINISO Stores, and other operating data/information.

Owner further agrees:

i. not to utilize any Confidential Information other than for the benefit of the Franchisee and during the term of, and in accordance with the provisions of, the Franchise Agreement;

ii. to take all precautions necessary to ensure that the Confidential Information shall not be disclosed to third parties; and

iii. agrees and acknowledges that all Confidential Information is and shall remain the property of Franchisor or Franchisor's licensor, as applicable, and nothing herein or any course of conduct between Franchisor, Franchisee and Owner shall be deemed to grant Owner any rights in or to all or any portion of the Confidential Information.

4. No Undue Hardship. Owner acknowledges and agrees that the covenants set forth above are fair and reasonable and will not impose any undue hardship on Owner since Owner has other considerable skills, experience and education which afford him/her the opportunity to derive income from other endeavors.

5. Inapplicability of Restrictions. The restrictions described in paragraphs 1 and 2 do not apply to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent less than three percent (3%) of the outstanding number of shares of that class issued by a Similar Business.

6. Independence of Covenants. Each of the above covenants shall be deemed independent of any other covenant or provision of this Agreement. If any of the restrictions in this Agreement are determined to be unenforceable to an extent because of excessive duration, geographic area, scope of business or otherwise, they will be reduced to the level that provides the greatest protection to Franchisor and the System, but which is still enforceable. If a court of competent jurisdiction deems any provision of this Agreement unreasonable, the court may declare a reasonable modification, and this Agreement shall be valid and enforceable as so modified.

7. Modification of Covenants. Owner understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any of the above covenants without Owner's consent, effective immediately upon receipt by Owner of written notice thereof, and Owner shall comply with any covenant as so modified.

8. Enforcement of Covenants. Owner expressly agrees that the existence of any claims Owner may have against Franchisor shall not act as a defense to the enforcement by Franchisor of the covenants contained in this Agreement. Owner agrees to pay all costs and expenses (including reasonable Attorneys' Fees) incurred by Franchisor in connection with the enforcement of the covenants set forth in this Agreement.

9. Specific Performance. Owner acknowledges that any breach of Owner's obligations herein may cause Franchisor great and irreparable injury that cannot be adequately compensated by the payment of damages in an action at law. Accordingly and notwithstanding any contrary or inconsistent term of the Franchise Agreement, Franchisor and any Franchisor licensor, as applicable, shall be entitled to the remedies of injunction, specific performance and other equitable relief to redress any breach, or to prevent any threatened breach (and Franchisor and any licensor shall not be required to post any bond or prove special damages) and Owner shall pay any and all costs and expenses (including reasonable Attorneys' Fees and expenses) incurred by Franchisor or any such licensor in enforcing its rights hereunder. Nothing contained in this Agreement shall, however, be construed as a waiver by Franchisor of any other right, including, without limitation, Franchisor's right to damages.

10. Binding. This Agreement shall be binding on and inure to the benefit of the parties and their successors and permitted assigns. Franchisor may assign its rights and obligations under this Agreement to anyone without the consent of Owner. Owner shall not assign any of Owner's rights or obligations under this Agreement.

11. Laws. This Agreement and the parties' respective rights and obligations hereunder will be governed by, and construed and enforced in accordance with, the laws of the state where a claimed breach occurs, PROVIDED, that the provisions of any statute, regulation or law regarding franchises shall not apply unless jurisdictional, definitional and other requirements thereof are met independently of this Section.

12. Survival. Owner's obligations shall survive termination of the Franchise Agreement. Any failure on the part of Franchisor to insist upon the performance of this Agreement in whole or in part shall not constitute a waiver of any right under this Agreement. No waiver of any provision of this Agreement shall be effective unless in writing and executed by the party waiving the right. The parties agree that the covenants included in this Agreement, taken as a whole, are reasonable in duration and scope and necessary to protect Franchisor and the System, and it is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. If in any judicial proceeding a court shall refuse to enforce any of the separate covenants included in this Agreement, then such unenforceable covenant shall be deemed modified so as to be enforceable (or if not subject to modification, then eliminated) to the extent necessary to permit the remaining covenants to be enforced.

13. Defined Terms. Capitalized terms used in this Agreement, unless otherwise defined herein, shall have the meanings ascribed to such terms in the Franchise Agreement. Owner acknowledges having received, reviewed and understood the terms of the Franchise Agreement and having had ample opportunity to consult with independent counsel of Owner's choosing prior to the execution of this Agreement.

IN WITNESS WHEREOF, the undersigned have set their hands as of this ____ day of _____, 20____.

FRANCHISOR:

Miniso Depot Franchisor LLC
a California limited liability company

By: _____
Printed Name

Title: _____

Date: _____

OWNER:

Signature

Printed Name

**SCHEDULE F TO THE FRANCHISE AGREEMENT
CALIFORNIA ADDENDUM FOR CALIFORNIA FRANCHISES
AND
OWNER NON-COMPETE, NON-DISCLOSURE AND
CONFIDENTIALITY AGREEMENT FOR OWNERS OF CALIFORNIA FRANCHISES**

CALIFORNIA ADDENDUM

This is the California Addendum to the Franchise Agreement (the "Agreement") with an effective date of _____ by and between Miniso Depot Franchisor LLC ("Franchisor"), a California limited liability company, and _____, a _____ ("Franchisee"), a California franchisee. **The terms of this Addendum shall survive the termination or expiration of the Agreement.**

1. Section 2 D of the Agreement is deleted and the following language is substituted:

D. Market Withdrawal. *If Franchisor publishes an announcement that it has determined that continued franchising in the state or in the standard metropolitan statistical area (as established by the United States Office of Management and Budget) within the state in which Franchisee's Store is located is not appropriate for reasons that relate to Franchisor's economic or other interests and that it is completely withdrawing from all franchise activity in such state/area (provided that Franchisor can continue to service existing Franchisees under outstanding agreements), then Franchisor will be considered to have made a general market area withdrawal, will have no liability to Franchisee therefore and will not be required to offer Franchisee any renewal Franchise or similar rights (a "Market Withdrawal"). In that event and if Franchisee is not in default of this Agreement, Franchisee will not be required to comply with its non-competition obligations under Section 15 C. Franchisor shall not prevent Franchisee from retaining control of the principal place of the Franchised Business in the event of a Market Withdrawal. Franchisee agrees that if any statute or court decision requires "good cause" (or any similar standard) for non-renewal, Franchisor's compliance with the provisions of this clause will be deemed to be good cause.*

2. Section 15 C. of the Agreement is deleted and the following language is substituted:

C. Further Trade Secret and System Protection; Post Term Restrictions. *For a period of two (2) years after the transfer, termination or expiration of this Agreement, Franchisee, each Franchisee Associate, each Franchisee Owner and each Family Member of each of the foregoing, shall not:*

i) *have any direct or indirect interest in any Similar Business within a radius of ten (10) miles of the Accepted Location or of any MINISO Store, if the fulfillment of Franchisee's duties and responsibilities with respect to such Similar Business (or the duties and responsibilities of another person/entity identified above in this Section 15 C.) would inherently call upon Franchisee (or such other person/entity) to disclose and/or use Confidential Information or Trade Secrets; or*

ii) *provide any financial support or perform any services as an employee, agent, representative, consultant or in any capacity of any kind for any Similar Business within a radius of ten (10) miles of the Accepted Location or of any MINISO Store, if the fulfillment of Franchisee's duties and responsibilities with respect to such Similar Business (or the duties and responsibilities of another person/entity identified above in this Section 15 C.) would inherently call upon Franchisee (or such other person/entity) to disclose and/or use Confidential Information or Trade Secrets; or*

iii) *have any direct or indirect interest anywhere in, or provide any financial support to, any entity granting franchises or licenses or establishing joint ventures for the operation of Similar Businesses, or perform any services anywhere as an employee, agent, representative, consultant or in any capacity of any kind for any such entity, if the fulfillment of Franchisee's duties and responsibilities with respect to such entity granting franchises or licenses or establishing joint ventures for the operation of Similar Businesses (or the duties and responsibilities of another person/entity identified above in this Section 15 C.) would inherently call upon Franchisee (or such other person/entity) to disclose and/or use Confidential Information or Trade Secrets.*

Franchisee accepts that it is Franchisee's obligation under this Agreement to ensure the compliance of each of the persons/entities named in Sections 15 A., B. and C. with the limitations described in those Sections. Franchisor shall use reasonable judgment in evaluating whether or not the conduct of a Family Member warrants the exercise of rights under this provision.

3. **To the extent that Sections 16 ("Default and Termination"), 17 ("Rights and duties on Expiration or Termination") and 18 ("Transfer Restrictions") and any other terms of the Agreement are inconsistent with the California Franchise Relations Act (CA. Bus. & Prof. Code §20020, et. seq.), the terms of the statute will control and the applicable Section shall be modified only to the extent required to comply with such law. The**

parties agree that in no event shall a reasonable opportunity to cure to the extent required under such statute be greater than seventy five (75) days.

4. The first paragraph of Section 16.A. is hereby deleted and the following language is substituted:

A. Termination by Franchisor with No Opportunity to Cure. *This Agreement shall, at Franchisor's option, terminate automatically upon Franchisor's delivery of notice of termination to Franchisee, without opportunity to cure, if Franchisee or Franchisee Owner(s), as applicable, commits any of the breaches of this Agreement identified below in this Section 16 A., each of which is deemed by the parties to be a failure by Franchisee to substantially comply with the Franchise Agreement requirements. Franchisee or a Franchisee Owner:*

i. *abandons the Franchised Business for more than five (5) consecutive calendar days during which Franchisee is required to operate, or for any shorter period after which it is not unreasonable for Franchisor to conclude that Franchisee does not intend to continue operating;*

ii. *experiences a seizure or foreclosure of the Franchised Business or Franchisee's Store premises by a government official or by a creditor or lessor and a final judgment against Franchisee is unsatisfied for 30 days, or a levy of execution is made upon any property used in the Franchised Business and not discharged within five (5) days;*

iii. *makes any material misrepresentation or omission in the application for the Franchise;*

iv. *is (or the Franchise Business is) the subject of an order for relief in bankruptcy, judicially determined to be insolvent or admits Franchisee is unable to pay debts as they become due; or makes an assignment for the benefit of creditors;*

v. *is convicted of, or plead no contest to, a felony, or any other criminal misconduct relevant to the operation of Franchisee's Franchised Business;*

vi. *engages in any conduct which reflects materially and unfavorably upon Franchisee's Franchised Business, the Miniso System or the goodwill associated with the Marks;*

vii. *fails to comply with any law or regulation applicable to the operation of the Franchised Business for a period of 10 days after notification of non-compliance, including without limitation, health, safety, building, and labor laws and regulations;*

viii. *after curing a failure to comply with this Agreement, as provided in Section 16 B., below, engages in the same non-compliance, whether or not corrected after notice;*

ix. *operates the Franchised Business such that Franchisor reasonably determines that the continued operation of the Franchised Business can result in imminent danger to public health and/or safety; or*

x. *repeatedly fails to comply with one or more requirements of this Agreement or any Manual, whether or not corrected after notice.*

5. Section 16. B. of the Agreement is deleted and the following language is substituted:

B. Termination by Franchisor with Opportunity to Cure. *This Agreement shall terminate, at Franchisor's sole option, without further action by Franchisor or notice to Franchisee, if Franchisee or any Franchisee Owner(s), as applicable:*

i) *fails to pay any amount due Franchisor, Licensor or any Franchisor Affiliate for Royalty Fees, marketing fees, or purchases from Franchisor, Licensor or any such Affiliate, or any other amount owed, and does not correct any such failure within five (5) days after written notice is delivered to Franchisee. The parties agree that if Franchisee or any Franchisee Owner(s) commits a breach under this Section 16 B. i), each such breach shall be deemed to be a failure by Franchisee to substantially comply with the Franchise Agreement requirements; or*

ii) *fails or refuses to comply with any provision of this Agreement not otherwise addressed under Sections 16 A. and 16 B. i), above, or with any provision of any other agreement with Franchisor or any Franchisor Affiliate, or with any mandatory requirement prescribed in any Manual, and does not correct the failure within sixty (60) days of written notice thereof or within any shorter period for cure as may be permitted by statute. The parties agree that such a breach by Franchisee or any Franchisee Owner(s) of a material provision of this Agreement, or of any other agreement with Franchisor or any Franchisor Affiliate, or of any mandatory requirement prescribed in any Manual shall be deemed to be a failure to substantially comply with the Franchise Agreement requirements.*

6. The following language is added as Section 16 E.:

E. Market Withdrawal. *If Franchisor publishes an announcement that it has determined that continued franchising in the state or in the standard metropolitan statistical area (as established by the United States Office of Management and Budget) within the state in which Franchisee's Store is located is not appropriate for reasons that relate to Franchisor's economic or other interests and that it is completely withdrawing from all franchise activity in such state/area (provided that Franchisor can continue to service existing Franchisees under outstanding agreements), then Franchisor will be considered to have made a general market area withdrawal (a "Market*

Withdrawal). A Market Withdrawal shall be considered a lawful basis for termination of the Franchise Agreement and Franchisor shall have no liability to Franchisee therefore. In the event of a Market Withdrawal Franchisee will not be required to comply with its non-competition obligations under Section 15 C. Franchisor shall not prevent Franchisee from retaining control of the principal place of the Franchised Business in the event of a Market Withdrawal.

7. Section 17. C. of the Agreement is deleted and the following language is substituted:

Franchisor shall have the right upon termination or non-renewal of the Franchise to purchase from Franchisee at the value of price paid by Franchisee, minus depreciation, Franchisee's inventory, supplies, equipment, fixtures and furnishings (the "Items") purchased or paid for under the terms of this Agreement or an agreement ancillary hereto by Franchisee to Franchisor or to its approved suppliers that are possessed or used by Franchisee in the franchised business at the time of termination or non-renewal. For the purposes of this provision and compliance under and construction of the California Franchise Relations Act (CFRA), the parties agree that such depreciation shall be calculated based on whichever of the two (2) methods prescribed results in a lower valuation of the Items: i) the Modified Accelerated Cost Recovery System (MACRS) method applied in accordance with the applicable standard U.S. Internal Revenue Service (IRS) schedules effective for the calendar year immediately preceding the calendar year in which the Franchise Agreement terminated or expired and was not renewed; or ii) the last filed depreciation schedules for such Items included by Franchisee in an IRS income tax return previously filed for the Franchised Business. Franchisee shall provide Franchisor a true and complete copy of such income tax returns and related schedules within five (5) business days of Franchisor's request. Franchisee shall provide Franchisor a true and complete copy of such income tax return and related schedules within five (5) business days of Franchisor's request. Franchisee shall further provide Franchisor clear title to and possession of any such Items. Franchisor can offset against the amounts owed to Franchisee any amounts owed by Franchisee to Franchisor.

In the event a court or arbitrator finds that Franchisor has terminated or failed to renew this Agreement in violation of the CFRA, the parties agree that the fair market value of the franchised business and franchise assets (the "FMV") for purposes of compliance with the CFRA shall be established in accordance with the following procedure: Franchisor and Franchisee shall mutually select an independent Certified Business Appraiser within thirty (30) days of such court/arbitrator finding. If unable to identify a mutually agreeable Certified Business Appraiser, Franchisor and Franchisee each shall select a person within forty five (45) days of such court/arbitrator finding who is an independent Certified Business Appraiser (the "Designees") and such Designees promptly shall mutually agree to a third independent Certified Business Appraiser whose determination of the FMV shall be final and binding on the parties. This provision shall survive the termination or expiration of the Franchise Agreement.

8. The following language is added as subsections (xiv) and (xv) of Section 18 D of the Agreement:

xiv) Franchisee shall deliver to Franchisor by business courier or receipted U.S. mail, written notice of Franchisee's intent to Transfer, which notice shall include the proposed transferee(s)' name and address and shall be accompanied by a copy of all agreements and related documents pertaining to the proposed Transfer; and

xv) Franchisee shall deliver to Franchisor the transferee's completed application, which shall include all forms, financial disclosures, related documentation and such other information as then may be required to complete Franchisor's evaluation of prospective new franchisees, and shall respond to any request from Franchisor for additional information within fifteen (15) days of receipt of such request.

9. Section 20. C. of the Agreement is deleted and the following language is substituted:

C. Consent. *Within sixty (60) days after Franchisor receives the notice described in 20 A., above, and all requested information, Franchisor shall notify Franchisee in writing by business courier or U.S. receipted mail of Franchisor's consent or withholding of consent to the proposed Transfer, or in accordance with this Section 20, acceptance for itself or its nominee of the Transfer on the terms specified in Franchisee's notice. If Franchisor elects not to exercise its right of first refusal and consents to the proposed Transfer, then Franchisee shall be authorized to complete the proposed transaction with the proposed transferee on the terms contained in the original notice to Franchisor and subject to satisfaction of the conditions contained in Sections 18 B., C. and D. Any material change to any such Transfer terms shall constitute a new proposal, which shall again require compliance with the procedures provided in this Section 20 or as required under applicable state law.*

10. Section 30. B. of the Agreement is deleted and the following language is substituted:

B. Arbitrator's Authority. *The arbitrator shall decide any questions relating in any way to the parties' agreement to arbitrate, including arbitrability, applicability, subject matter, timeliness, scope, remedies, and any alleged fraud in the inducement, or purportedly void or voidable provisions of the Agreement. The arbitrator can issue summary orders disposing of all or part of a Claim and provide for temporary restraining orders, preliminary*

injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, and other relief by any court having jurisdiction. The subpoena powers of the arbitrator with respect to witnesses to appear at the arbitration proceeding shall not be subject to any geographical limitation. No award in arbitration will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration. Arbitrators in any proceeding under this Section 30 will apply all applicable law, and a failure to apply the applicable law in accordance with Section 29 will be deemed an act in excess of authority and reviewable by the courts, and the parties expressly agree that any arbitration award can be reviewed and overturned by a court for legal error. If required by applicable law for any arbitration provision to be enforceable (for example, to preserve constitutionally or statutorily provided rights), the arbitrator can, as soon as possible, appropriately allocate between Franchisee and Franchisor the fees of the arbitrator(s) and/or his/her related organization, or require an advance of a portion of such fees subject to possible reimbursement, or otherwise address such issues so as to allow the arbitration to proceed and can adjust such allocations appropriately during the arbitration process for such purpose. Either party can in its discretion advance the other party's portion of the initial case filing fees paid to the American Arbitration Association, or successor organization, for an arbitration matter pursuant to this Agreement."

To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of the Franchise Agreement or schedules or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms as of the date first above written.

FRANCHISOR:

Miniso Depot Franchisor LLC
a California limited liability company

By: _____
Printed Name

Title: _____

Sign here if "Franchisee" is a natural person

FRANCHISEE (Individual[s])

Signature

Printed Name

Sign here if "Franchisee" is a type of business entity

FRANCHISEE (Corp., LLC or Partnership)

Legal Name of Franchisee Entity

a _____
Jurisdiction of Formation Corporation, LLC or Partnership

By: _____
Print Name

Signature

Title

OWNER NON-COMPETE, NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT
(For California Franchise Owners)

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement for the operation of a Miniso store ("Store"), and any revisions, modifications and amendments thereto, (hereinafter collectively the "Franchise Agreement") dated _____, 20__ by and between Miniso Depot Franchisor LLC (hereinafter "Franchisor") and _____ (hereinafter "Franchisee"), the undersigned ("Owner") agrees as follows:

1. Non-Solicitation and In Term Non-Competition Covenants. Owner acknowledges that as a result of Owner's equity position in Franchisee, Owner may receive valuable Confidential Information, as that term is defined below, and other proprietary information of Franchisor's or its Associates. Owner covenants that, during the term of the Franchise Agreement and subject to the post-termination provisions contained therein and any applicable addendum to the Agreement, and except as otherwise approved in writing by Franchisor, Owner will not, either directly or indirectly, for himself/herself or through, on behalf of or in conjunction with any Family Members or other person, persons, partners or entity:

- i) have any direct or indirect interest anywhere in any Similar Business (as defined below) or in any entity granting franchises or licenses or establishing joint ventures for the operation of Similar Businesses; or
- ii) provide any financial support or perform any services anywhere as an employee, agent, representative, consultant or in any capacity of any kind for any Similar Business, or for any entity granting franchises or licenses or establishing joint ventures to operate Similar Businesses.

For purposes of this Agreement, i) a "Similar Business" is any business or enterprise that markets or sells MINISO products, fast fashion clothing and accessories, and other distinctive MINISO sales items and goods where such goods comprise more than twenty percent (20%) of sales for such business/enterprise; and ii) "Family Members" include an individual and his/her spouse and/or domestic partner, and their respective mother, father, brother, sister, son, and daughter.

2. Post Term Covenants. Owner covenants that, except as otherwise approved in writing by Franchisor, for a continuous uninterrupted period commencing upon the expiration or termination of the Franchise Agreement, regardless of the cause for termination, and continuing for two (2) years thereafter, Owner will neither directly nor indirectly, for itself or through, on behalf of or in conjunction with any person, persons, partnership or corporation:

- i) have any direct or indirect interest in any Similar Business within a radius of ten (10) miles of Franchisee's MINISO Store location or the location of any MINISO Store if the fulfillment of Owner's duties and responsibilities with respect to such Similar Business would inherently call upon Owner to disclose and/or use Franchisor's or Franchisor's Associate's or Licensor's Trade Secrets (as defined in the Franchise Agreement) or other proprietary information;
- ii) provide any financial support or perform any services as an employee, agent, representative, consultant or in any capacity of any kind for any Similar Business within a radius of ten (10) miles of Franchisee's MINISO Store location or the location of any MINISO Store, if the fulfillment of Owner's duties and responsibilities with respect to such Similar Business would inherently call upon Owner to disclose and/or use Franchisor's or Franchisor's Associate's or Licensor's Trade Secrets or other proprietary information; or
- iii) have any direct or indirect interest anywhere in, or provide any financial support to, any entity granting franchises or licenses or establishing joint ventures for the operation of Similar Businesses, or perform any services anywhere as an employee, agent, representative, consultant or in any capacity of any kind for any such entity, if the fulfillment of Owner's duties and responsibilities with respect to such entity granting franchises or licenses or establishing joint ventures for the operation of Similar Businesses would inherently call upon Owner to disclose and/or use Franchisor's or Franchisor's Associate's or Licensor's Trade Secrets or other proprietary information.

3. Non-Use and Non-disclosure Covenants. Owner agrees to protect as confidential, and not to disclose to any person or entity any Confidential Information, either directly or indirectly, except as may be required for the fulfillment of Owner's and/or Franchisee's obligations under the Franchise Agreement. For purposes of this Agreement, Confidential Information includes in any form current and future:

- i) any manuals, techniques, processes, display standards and strategies, instructional materials and curricula, any proprietary information, policies, procedures, systems, data, and know how regarding the establishment, operation and franchising of MINISO Stores;

- ii) MINISO layouts and designs, specifications for any MINISO customized products and services, and supplier lists and related agreements, pricing and terms; and
- iii) trade secrets and other non-public information regarding the System or MINISO Stores, including potential location plans, System statistics, profits, financial data, marketing plans, business strategies, Store performance information, customer lists and related data for all MINISO Stores, and other operating data/information.

Owner further agrees:

- i) Not to utilize any Confidential Information other than for the benefit of the Franchisee and during the term of, and in accordance with the provisions of, the Franchise Agreement;
- ii) To take all precautions necessary to ensure that the Confidential Information shall not be disclosed to third parties; and
- iii) Acknowledges that all Confidential Information is and shall remain the property of Franchisor or Franchisor's licensor, as applicable, and nothing herein or any course of conduct between Franchisor, Franchisee and Owner shall be deemed to grant Owner any rights in or to all or any portion of the Confidential Information.

4. No Undue Hardship. Owner acknowledges and agrees that the covenants set forth above are fair and reasonable and will not impose any undue hardship on Owner since Owner has other considerable skills, experience and education which afford him/her the opportunity to derive income from other endeavors.

5. Inapplicability of Restrictions. The restrictions described in paragraphs 1 and 2 do not apply to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent less than three percent (3%) of the outstanding number of shares of that class issued by a Similar Business.

6. Independence of Covenants. Each of the above covenants shall be deemed independent of any other covenant or provision of this Agreement. If any of the restrictions in this Agreement are determined to be unenforceable to an extent because of excessive duration, geographic area, scope of business or otherwise, they will be reduced to the level that provides the greatest protection to Franchisor and the System, but which is still enforceable. If a court of competent jurisdiction deems any provision of this Agreement unreasonable, the court may declare a reasonable modification, and this Agreement shall be valid and enforceable as so modified.

7. Modification of Covenants. Owner understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any of the above covenants without Owner's consent, effective immediately upon receipt by Owner of written notice thereof, and Owner shall comply with any covenant as so modified.

8. Enforcement of Covenants. Owner expressly agrees that the existence of any claims Owner may have against Franchisor shall not act as a defense to the enforcement by Franchisor of the covenants contained in this Agreement. Owner agrees to pay all costs and expenses (including reasonable Attorneys' Fees) incurred by Franchisor in connection with the enforcement of the covenants set forth in this Agreement.

9. Specific Performance. Owner acknowledges that any breach of Owner's obligations herein may cause Franchisor great and irreparable injury that cannot be adequately compensated by the payment of damages in an action at law. Accordingly and notwithstanding any contrary or inconsistent term of the Franchise Agreement, Franchisor and any Franchisor licensor, as applicable, shall be entitled to the remedies of injunction, specific performance and other equitable relief to redress any breach, or to prevent any threatened breach (and Franchisor and any licensor shall not be required to post any bond or prove special damages) and Owner shall pay any and all costs and expenses (including reasonable Attorneys' Fees and expenses) incurred by Franchisor or any such licensor in enforcing its rights hereunder. Nothing contained in this Agreement shall, however, be construed as a waiver by Franchisor of any other right, including, without limitation, Franchisor's right to damages.

10. Binding. This Agreement shall be binding on and inure to the benefit of the parties and their successors and permitted assigns. Franchisor may assign its rights and obligations under this Agreement to anyone without the consent of Owner. Owner shall not assign any of Owner's rights or obligations under this Agreement.

11. Laws. This Agreement and the parties' respective rights and obligations hereunder will be governed by, and construed and enforced in accordance with, the laws of the state where a claimed breach occurs, PROVIDED, that the provisions of any statute, regulation or law regarding franchises shall not apply unless jurisdictional, definitional and other requirements thereof are met independently of this Section.

12. Survival. Owner's obligations shall survive termination of the Franchise Agreement. Any failure on the part of Franchisor to insist upon the performance of this Agreement in whole or in part shall not constitute a

waiver of any right under this Agreement. No waiver of any provision of this Agreement shall be effective unless in writing and executed by the party waiving the right. The parties agree that the covenants included in this Agreement, taken as a whole, are reasonable in duration and scope and necessary to protect Franchisor and the System, and it is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. If in any judicial proceeding a court shall refuse to enforce any of the separate covenants included in this Agreement, then such unenforceable covenant shall be deemed modified so as to be enforceable (or if not subject to modification, then eliminated) to the extent necessary to permit the remaining covenants to be enforced.

13. Defined Terms. Capitalized terms used in this Agreement, unless otherwise defined herein, shall have the meanings ascribed to such terms in the Franchise Agreement. Owner acknowledges having received, reviewed and understood the terms of the Franchise Agreement and having had ample opportunity to consult with independent counsel of Owner's choosing prior to the execution of this Agreement.

IN WITNESS WHEREOF, the undersigned have set their hands as of this ____ day of _____, 20____.

FRANCHISOR:

Miniso Depot Franchisor LLC
a California limited liability company

By: _____
Printed Name

Title: _____

Date: _____

OWNER:

Signature

Printed Name

**SCHEDULE G TO THE FRANCHISE AGREEMENT
COLLATERAL ASSIGNMENT OF LEASE**

THIS COLLATERAL ASSIGNMENT OF LEASE (this "Assignment") is entered into as of _____, 20_____, between _____ ("Franchisee") and Miniso Depot Franchisor LLC, a California limited liability company ("Franchisor").

Subject to the provisions hereof, Franchisee, to secure its obligations to the Franchisor under the franchise agreement between Franchisor and Franchisee, dated _____, 20__ (the "Franchise Agreement"), hereby assigns, transfers and sets over unto Franchisor [and/or such person(s)/entity(ies) as Franchisor may from time-to-time designate] all of Franchisee's right, title and interest, whether as tenant or otherwise, in, to and under that certain lease (the "Lease"), a copy of which is attached to this Assignment, dated _____, 20____, between Franchisee and _____ ("Landlord"), respecting that property commonly known as _____ (the "Premises"). The Franchisor shall have no liabilities or obligations of any kind arising from, or in connection with, this Assignment, the Lease or otherwise (including, but not limited to, any obligation to pay rent and/or other amounts) until and unless the Franchisor, in its sole and absolute discretion, takes possession of the Premises pursuant to the terms hereof and expressly assumes in writing the rights and obligations of Franchisee under the Lease. The Franchisor is responsible only for those obligations accruing under the Lease after the date of such assumption.

Franchisee agrees to indemnify and hold harmless Franchisor from and against all claims and demands of any type, kind or nature made by Landlord or any third party that arise out of or are in any manner connected with Franchisee's use and occupancy of the Premises.

Franchisee represents and warrants to Franchisor that Franchisee has full power and authority to assign the Lease and its interest in the Lease.

Franchisor will not take possession of the Premises until and unless Franchisee defaults (and/or until there is a termination, cancellation, rescission or expiration of Franchisee's rights) under the Lease, any sublease, the Franchise Agreement or another agreement between Franchisee and Franchisor (or any Franchisor Associate). In such event, Franchisor (or its designee) shall have the right, and is hereby empowered, but has no obligation, to take possession of the Premises, and expel Franchisee. In such event, Franchisee shall have no further right, title or interest in or under the Lease or to the Premises, all such rights passing to Franchisor or its designee, in each case without the Landlord's further consent. Franchisee agrees to do all acts necessary or appropriate to accomplish such assignment on Franchisor's request. Franchisee will reimburse Franchisor for the costs and expenses incurred in connection with any such retaking, including, without limitation, the payment of any back rent and other payments due under the Lease (whether such payments are made by a separate agreement with the Landlord or otherwise), attorney's fees and expenses of litigation incurred in enforcing this Assignment, costs incurred in re-letting the Premises and costs incurred for putting the Premises in good working order and repair.

Franchisee agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Franchisor. Throughout the term of the Franchise Agreement, Franchisee agrees that it shall elect and exercise on a timely basis all options to extend the term, or renew or assume in bankruptcy, the Lease, unless Franchisor consents in writing to an alternative Accepted Location. Upon failure of Franchisee to so elect to extend or renew or assume the Lease, Franchisee hereby appoints Franchisor as its true and lawful attorney-in-fact to exercise such options in the name, place and stead of Franchisee for the sole purpose of effecting any extension, renewal or assumption, in each case for the account of Franchisee and without any liability or obligation of Franchisor.

Failure of Franchisor to exercise any remedy hereunder shall not be construed or deemed to be a waiver of any of its rights hereunder. The rights and remedies of Franchisor under this Assignment are cumulative and are not in lieu of, but are in addition to, any other rights and remedies which Franchisor shall have under or by virtue of the Franchise Agreement or otherwise. The terms, covenants, and conditions contained herein shall bind Franchisee and its successors and assigns, and inure to the benefit of Franchisor and its successors and assigns. In the event of any dispute between the parties regarding this Assignment, or any matter related in any way to it, the dispute resolution provisions of the Franchise Agreement between Franchisor and Franchisee shall apply. The arbitrator in any such proceeding shall have the full power and authority to grant an appropriate award to give full effect to this Assignment, expelling Franchisee from the Premises and awarding possession to Franchisor, as well as granting such other relief as may be proper and fair at law and by equity. If there is more than one Franchisee, their obligations hereunder will be joint and several.

This Assignment, any memorandum hereof or any financial statement related hereto may be recorded by, and at the expense of, Franchisor. Franchisee hereby appoints Franchisor as its attorney in fact to execute any and all documents and to take any and all such actions, as are necessary or appropriate to record such instrument referenced above.

Nothing contained in this Assignment shall diminish any obligations or covenants of Franchisee owed under its Franchise Agreement with Franchisor, including, without limitation, any post-termination covenant not to compete. Terms not otherwise defined in this Exhibit have the same meanings as stated in the Franchise Agreement. Franchisee and Franchisor shall be bound to this Collateral Assignment of Lease regardless of whether or not the attached Landlord Approval is provided by Landlord.

FRANCHISOR:

Miniso Depot Franchisor LLC
a California limited liability company

By: _____
Printed Name

Title: _____

Sign here if "Franchisee" is a natural person

FRANCHISEE (Individual[s])

Signature

Printed Name

Signature

Printed Name

Sign here if "Franchisee" is a type of business entity

FRANCHISEE (Corp., LLC or Partnership)

Legal Name of Franchisee Entity

a _____
Jurisdiction of Formation Corporation, LLC or Partnership

By: _____
Print Name

Signature

Title

LANDLORD APPROVAL:

The undersigned Landlord under the Lease hereby:

1. Agrees to notify Franchisor in writing of any proposed Lease amendment and of any default and any failure of Franchisee to cure any default under the Lease, as provided in the Lease Addendum of even date;
2. Agrees that Franchisor shall have the right, but not be obligated, to cure any default by Franchisee;
3. Consents to the foregoing Collateral Assignment of Lease and agrees that if Franchisor takes possession of the Premises and confirms to Landlord the assumption of the Lease by Franchisor as tenant, Landlord shall recognize Franchisor, or its Associate or designee, as tenant under the Lease;
4. Agrees that Franchisor may further assign the Lease or sublet the Premises to a designee and/or a person or entity who is a franchise owner reasonably acceptable to Landlord. Franchisor will have no further liability under the Lease upon such an assignment. This Approval of Landlord shall apply to any subsequent franchise owner acceptable to Landlord, as provided herein;
5. Agrees to provide a copy of this Collateral Assignment of Lease to any actual and/or prospective purchaser of the Premises.

LANDLORD

By: _____

Its: _____

Address:

Telephone No. _____

Email address: _____

PREMISES LEASE ATTACHED
TO COLLATERAL ASSIGNMENT OF LEASE

STATE ADDENDA TO FRANCHISE AGREEMENT

EXHIBIT A-1

**ADDENDUM TO THE MINISO DEPOT FRANCHISOR LLC
DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF CALIFORNIA**

1. California Business and Professions Code sections 20000 through 20043 establish the rights of the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.
2. The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A. Sec. 101 et seq.).
3. The franchise agreement contains covenants not to compete which extend beyond the termination of the franchise. These provisions may not be enforceable under California law.
4. Section 31125 of the California Corporation Code requires the franchisor to provide you with a Disclosure Document before asking you to agree to a material modification of an existing franchise.
5. Neither the franchisor, any person or franchise broker in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.
6. You must sign a general release if you renew or transfer your franchise agreement. California Corporation Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).
7. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.
8. The franchise agreement requires mediation and, if necessary, binding arbitration. The mediation and arbitration will occur in Los Angeles County, California with each party bearing its own costs. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California. Business and Professions Code Section 20040.5 relating to forum selection clauses restricting venue outside the state of California or arbitration may be preempted by the Federal Arbitration Act. Section 20040.5 may still apply to any provision relating to judicial proceedings. A binding arbitration provision may not be enforceable under generally applicable contract defenses, such as fraud, duress, or unconscionability.
9. OUR WEBSITE, <http://us.miniso.com>, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

ADDENDUM TO THE MINISO DEPOT FRANCHISOR LLC DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective

injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the “Summary” sections of Item 17(c), titled “Requirements for franchisee to renew or extend,” and Item 17(m), entitled “Conditions for franchisor approval of transfer”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “Termination by franchisee”: You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “Choice of forum”, and Item 17(w), titled “Choice of law”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York

**ADDENDUM TO THE MINISO DEPOT FRANCHISOR LLC
DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF MARYLAND**

Items 5 and 17 of the Disclosure Document shall be amended to include the following:

A general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Item 17 of the Disclosure Document shall be amended to include the following:

A Franchisee may bring any court litigation for claims arising under the Maryland Franchise Registration and Disclosure Law in Maryland.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A. Sec. 101 et seq.).

**ADDENDUM TO THE MINISO DEPOT FRANCHISOR LLC
FRANCHISE AGREEMENT REQUIRED BY THE STATE OF MARYLAND**

If Franchisee is a resident of Maryland or if the Franchise is to be operated in Maryland, the following provisions shall apply and shall supersede any provision in this Agreement to the contrary:

1. Any general release required in connection with the renewal, sale, and/or assignment/transfer of a franchise shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. A franchisee may litigate in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

3. Any requirement that a prospective franchisee must assent to a release, estoppel or waiver of liability in order to purchase a franchise, shall not act as a release, estoppel or waiver of liability under the Maryland Franchise Registration and Disclosure Law.

4. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

5. Section 15 of the Franchise Agreement is amended to include the following sentence:

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver or any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Miniso Depot Franchisor LLC: _____ Franchisee: _____

By: _____ By: _____

Title: _____ Title: _____

MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise Law. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits us to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits us to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to us and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of our intent not to renew the franchise.

(e) A provision that permits us to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

Michigan (cont'd.)

(g) A provision which permits a us to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent us from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

1. The failure of the proposed transferee to meet our then current reasonable qualifications or standards.
2. The fact that the proposed transferee is a competitor of us.
3. The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
4. The failure of you or the proposed transferee to pay any sums owing us or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants to us a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants us the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits us to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

MINNESOTA

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. §80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

Notwithstanding anything to the contrary set forth in the Franchise Agreement, any general release you are required to assent to shall not apply to any liability we may have under the Minnesota Franchise Act.

The franchiser will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name, as required under Minn. Stat. §80C.12 Subd. 1(G). Minnesota considers it unfair to not protect the franchisee's right to use the trademarks.

You cannot consent to our obtaining injunctive relief. We may seek injunctive relief. See Minn. Rule 2860.4400J. A court will determine if a bond is required.

The limitations of claims section of the Franchise Agreement must comply with Minn. Stat. §80C.17, Subd. 5 and is amended accordingly.

NORTH DAKOTA

Covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to the statute, have been determined to be unfair, unjust, or inequitable in North Dakota. Sections of the Disclosure Document and Franchise Agreement containing covenants restricting competition to which you must agree are generally considered unenforceable under North Dakota law.

Sections of the Franchise Agreement may require you to consent to a waiver of trial by jury. A waiver of trial by jury may not be enforceable under North Dakota law and any such provisions are amended accordingly to the extent required by law.

Sections of the Disclosure Document and Franchise Agreement requiring you to consent to the jurisdiction of courts outside of North Dakota or providing for resolution of disputes to be outside North Dakota may not be enforceable under North Dakota law, and are amended accordingly to the extent required by law.

Sections of the Disclosure Document and Franchise Agreement relating to choice of law, may not be enforceable under North Dakota law, and are amended accordingly to the extent required by law.

Sections of the Disclosure Document and Franchise Agreement requiring you to sign a general release upon renewal of the Franchise Agreement may not be enforceable North Dakota law, and are amended accordingly to the extent required by law.

Sections of the Franchise Agreement requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under North Dakota law, and any such provisions are amended accordingly to the extent required by law.

The Franchise Agreement contains a consent to termination and a liquidated damages clause. These clauses may be unenforceable under North Dakota law and are amended to the extent required by law.

WASHINGTON FRANCHISE AGREEMENT ADDENDUM

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____ 20_____.

FRANCHISOR

FRANCHISEE

This addendum may also be used as a rider to the Franchise Disclosure Document.

WISCONSIN

With respect to franchise agreements governed by Wisconsin law, the following shall supersede any inconsistent provision:

The Wisconsin Fair Dealership Law applies to most franchise agreements in the state and prohibits termination, cancellation, nonrenewal or substantial change in the competitive circumstances of a dealership agreement without good cause. The Law further provides that 90 days' prior written notice of the proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is so cured the notice is void. The Disclosure Document and Franchise Agreement are hereby modified to state that the Wisconsin Fair Dealership Law, to the extent applicable, supersedes any provisions in the Franchise Agreement that are inconsistent with that Law. Wis. Stats. Ch. 135, The Wisconsin Fair Dealership Law. SEC 32.06(3), Wis. Adm. Code.

APPENDIX OF NEGOTIATED SALES

EXHIBIT A-2

**STATE OF CALIFORNIA
DEPARTMENT OF BUSINESS OVERSIGHT**

**APPENDIX OF NEGOTIATED SALES
MINISO DEPOT FRANCHISOR, LLC**

Pursuant to Corporations Code section 31109.1 and California Code of Regulations, title 10, section 310.100.4, the following is a summary description of all of the material negotiated terms during the prior 12 month period in the form prescribed under California Code of Regulations, title 10, section 310.100.4.

1. None. There were no material negotiated terms by Miniso Depot Franchisor LLC for a California franchise during the prior 12-month period.

On behalf of the Franchisor, I certify under penalty of perjury under the laws of the State of California that Franchisor has complied with all of the requirements under Corporations Code section 31109.1.

By:



Zhiyu Xie, Manager

Date:

4/19/2021

CONSIGNMENT AGREEMENT

EXHIBIT B

CONSIGNMENT AGREEMENT

THIS CONSIGNMENT AGREEMENT (this “Agreement”) is made effective this [_____] day of [_____] , 2021 (the “Effective Date”), between MINISO DEPOT CA, INC. (“Consignor”), a California corporation, and [_____] (“Consignee”).

RECITALS

A. **WHEREAS**, Consignee owns certain Miniso retail stores pursuant to that certain Franchise Agreement with Miniso Depot Franchisor LLC (“Franchisor”), dated [_____] , 2021 (the “Franchise Agreement”), all as identified on Schedule "1" attached hereto (collectively, the “Stores”);

B. **WHEREAS**, Consignor desires to consign to Consignee certain of the Consignor’s products herein described in Section 2.1 (the “Products”) for the purpose of facilitating the sale of Miniso branded and non-branded goods to the public pursuant to the terms and conditions of the Franchise Agreement; and

C. **WHEREAS**, Consignee desires to accept delivery of the Products and to make necessary payments to Consignor upon the sale of the Products on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **General Terms**

1.1 Appointment and Acceptance

Consignor hereby appoints Consignee as a consignee for the sale of Products as set forth in this Agreement. Consignee accepts such appointment and agrees to act in such a capacity as described in this Agreement and to be bound by all terms herein. Consignee further agrees to use its best efforts to encourage sales of Products on behalf of Consignor.

1.2 Application by Consignee for Consignment

Consignee shall apply to Consignor for a consigned stock of Products from time to time. Consignor may place such a consigned stock with Consignee on the terms and conditions set forth in this Agreement.

1.3 Location and Identification of Products

Products shall be kept by Consignee at the Miniso store location at which Consignee has been authorized to market and sell the Products, and/or at a warehouse or other store facility maintained or contracted for by Consignee to store the Products. Products will not be transferred

from such location(s) without Consignee notifying Consignor. Products will be kept in accordance with the Consignor's requirements as stated in this Agreement and will be identified as Consignor's property.

1.4 Title Retained by Consignor

When Consignee delivers Products to persons purchasing from it (the "Purchasers"), title to Products shall pass from Consignor to Consignee and immediately thereafter from Consignee to Purchasers. Consignee shall have no power and shall not deal with the Products in any way inconsistent with the retained ownership by Consignor prior to delivery.

1.5 Consignor Given Security Interest

Consignor is hereby given, and shall be deemed to have, a security interest in all Products whether possession is retained by Consignor, or delivered to Consignee or any other person, and in all proceeds from sales made thereof, including accounts receivable and cash receipts, until the purchase price herein specified has been paid in full. Consignee also authorizes Consignor to file any document, including a financial statement, necessary for Consignor to record or perfect its security interest under this Agreement.

1.6 Right to Name and Good Will

Pursuant to the Franchise Agreement, Consignee is entitled to use the distinctive system (the "System") for the operation of a brick and mortar retail store offering and selling household consumer products, clothing, and accessories under the name "Miniso," and to use the Miniso licensed trademarks in connection with the opening, promotion, distribution, sale and operation of a Miniso store. Upon termination or expiration of the Franchise Agreement (and any renewals thereof), this Agreement shall terminate automatically, and Consignee will discontinue the use of the System or the Miniso licensed trademarks, and thereafter will not use, either directly or indirectly, in connection with its business, such words, or any other name, title or expression so nearly resembling the same as would be likely to lead to confusion or uncertainty or to deceive the public. For Franchisees with multiple stores, this Agreement will remain in effect so long as Franchisee continues to have one or more stores open and one or more Franchise Agreement(s) in effect.

1.7 Exclusive Dealing

Consignee shall not during the term of this Agreement sell, offer to sell or promote the goods of any other person which shall in any way compete with the sale of Products.

2. Products

2.1 Products

Products shall refer to all the Miniso branded and non-Miniso branded goods consigned by Consignor to Consignee pursuant to this Agreement.

2.2 *Change of Models or Design*

Consignor reserves the right to change the design of any Products and to add or delete models at any time without notice to Consignee. If any such change is made, there will be no obligation on Consignor to make such change upon any Products previously shipped or to be shipped in accordance with the application of Consignee given to Consignor prior to the date of the change, or different Products than were thereon when shipment was made.

2.3 *Warranty*

CONSIGNOR WARRANTS THAT PRODUCTS DELIVERED BY IT TO CONSIGNEE SHALL BE AS DESCRIBED IN THE APPLICATION ACCEPTED BY CONSIGNOR AND THAT ALL PRODUCTS DELIVERED BY IT TO CONSIGNEE SHALL BE FREE FROM DEFECTS IN WORKMANSHIP OR MATERIALS, BUT THERE ARE NO WARRANTIES WHICH EXTEND BEYOND SUCH DESCRIPTION. CONSIGNOR HEREBY EXCLUDES ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE AND ANY WARRANTY WHICH MIGHT OTHERWISE ARISE FROM THE COURSE OF DEALING BETWEEN THE PARTIES THERETO OR FROM ANY USAGE OF TRADE. PRODUCTS ARE NOT CONSIGNED BY SAMPLE UNLESS THAT FACT IS SPECIFICALLY STATED.

2.4 *Evidence of the Quality, Condition and Quantity of Products*

Upon delivery of Products to Consignee at the store location, the clean bill of lading, express receipt or similar delivery document shall serve as conclusive evidence of the quality, condition and quantity of Products.

2.5 *Installation and Maintenance Service*

Consignee agrees to provide and maintain at its own expense an efficient installation and maintenance service on all Products and fixtures installed in its territory, as defined hereinafter, in accordance with instructions issued by Consignor from time to time. Consignee also agrees to see that all necessary repairs to the fixtures and replacements of Products in the said territory are promptly and properly made, and to use every reasonable effort to maintain a standard of service consistent with Consignor's policy. Consignor shall have the right to stipulate the quantity of goods to be carried in stock by Consignee. In so stipulating, Consignor will be governed by the number of Products in Consignee's territory to be serviced. Consignor shall have the right during Consignee's business hours to inspect and check Consignee's stock of replacement goods, and if in Consignor's judgment a sufficient quantity of goods for replacement purposes are not then in Consignee's stock, Consignee hereby agrees to immediately apply for such goods as may be required by Consignor. The initial allocation of Products shall be determined by Consignor. If Consignee desires additional and/or different Products for its store, Consignee may apply for such Products by sending a written request to Consignor, who will have full discretion in determining if, or how, to respond to such request, including but not limited to, determining whether to provide any additional and/or different Products to Consignee.

3. Price, Payment, and Commission

3.1 Sales Price

Consignee shall quote to Purchasers the price for Products established by Consignor in the latest price list of Consignor furnished to Consignee.

3.2 Change of Price

Consignor reserves the right to change its price list from time to time and Consignee shall adjust the prices which it quotes so as to conform to the revised price list.

3.3 Allotment of Expenses

Consignee shall be liable for and agrees to pay the following expenses to the extent they are associated with Products:

- (a) Property taxes for the inventory in the store;
- (b) Sales and Use taxes on transactions between Consignee and customers.
- (c) Storage and warehousing expenses, if applicable;
- (d) Product liability insurance and other types of insurance usually carried by persons engaged in the same or similar business to the extent necessary to cover any risks which may be reasonably foreseen; and
- (e) Shipping and handling costs for delivery of Products from Consignor to Consignee.
- (f) Shopping bags to be provided to customers who purchase the Products. Consignor will provide the shopping bags to Consignee, who will be responsible for paying Consignor 100% of the cost of each shopping bag.

Consignor shall be liable for and agrees to pay all excise and sales taxes on transactions between Consignor and Consignee. If payment to shipping and handling vendor is over thirty (30) days past due, Consignor reserves the right to stop shipment until vendor receives payment.

3.4 Commission to Consignee, and Payment to Consignor

Consignee shall be liable for payment of the amount specified in Consignor's current price list for any Products delivered pursuant to this Agreement, less a commission of 50% on the goods

themselves, and only after such Products have been sold to a Purchaser, such that Consignor will be entitled to 50% of the Gross Revenues from any Products sold and Consignee will be entitled to 50% of the Gross Revenues from any Products sold. (“Gross Revenues” are defined as, “All charges and/or revenues that are earned or received by Consignee in the operation of the Franchised Business, less sales tax collected and paid when due to the appropriate taxing authority and actual customer refunds, adjustments and credits.”) However, for all Miniso-sourced Local Purchase Products sold, which consist of any goods that are not MINISO-branded and that are sourced by Consignor or its Affiliates (e.g. food and beverage goods, souvenir items, and other local products located and sourced by Consignor or its Affiliates), Consignor will be entitled to 70% of the Gross Revenue from the sales of all such products, and Consignee will be entitled to 30% of the Gross Revenue from the sales of all such products.

Following such sale of Products and/or food and beverage goods, including Miniso-sourced Local Purchase Products, Consignee shall pay to Consignor the amount due on a weekly basis, as follows:

- (a) Each Monday, Consignee shall provide to Consignor a report identifying the Gross Revenue from the sales of Products and food and beverage items from the previous week.
- (b) Each Wednesday, Consignee shall inform Consignor in writing as to the amount of Gross Revenue to be paid to Consignor for sales from the previous week.
- (c) Consignor shall promptly raise and address with Consignee any discrepancy or other issue between the amount of Gross Revenue earned by Consignee and the amount of Gross Revenue proposed to be paid to Consignor.
- (d) Each Friday, Consignee shall pay to Consignor the undisputed amount of Gross Revenue earned from the previous week.
- (e) For any Gross Revenue that is in dispute, Consignee and Consignor shall attempt in good faith to resolve their disagreement. Any unresolved disagreements shall be resolved in accordance with the dispute resolution provisions of this Agreement.

In the event payment to be made to Consignor is due on a day which is not a Business Day, such payment shall be due on the next Business Day. All amounts due from Consignee to Consignor shall bear interest after the due date at the higher of the rate of two percent (2%) per month or the highest applicable legal rate for open account business credit allowed under applicable law. This Section is not an agreement to permit or accept payments after they are due or a commitment by Consignor to extend credit. Consignee shall pay Consignor or its Affiliates on demand all reasonable costs of collection that Consignor or its Affiliates incurs in connection with any late payments made by Consignee, including legal costs and attorneys’ fees.

Consignor reserves right to suspend shipments of new inventory to Consignee if any portion of the Gross Revenue payment owed to Consignor is not timely paid.

Consignee shall be del credere, as regards all sales of Products made through it. Consignee guarantees payment to Consignor on the date determined above for such sales and shall remit to Consignor upon such due date, the full amount of monies due to Consignor, regardless of whether or not Consignee has received payment from Purchaser.

CONSIGNEE SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS CONSIGNOR, FRANCHISOR AND FRANCHISOR'S LICENSOR FROM ANY AND ALL LOSSES FOR INFRINGEMENT OF A PATENT OR PATENTS, COPYRIGHTS, TRADEMARKS OR ANY OTHER INTELLECTUAL PROPERTY RIGHT OR TRADE SECRETS MISAPPROPRIATION GROWING OUT OF OR INCIDENT TO THE SALE OF ANY LOCAL PURCHASE PRODUCTS, WHETHER SOURCED BY CONSIGNOR OR CONSIGNEE.

3.5 *Deposit*

Consignee shall pay to Consignor a refundable deposit, which shall be fixed at One Hundred Fifty Thousand Dollars (\$150,000.00) for stores that are 4,000 square feet or less in size, and Two Hundred Thousand Dollars (\$200,000.00) for stores over 4,000 square feet (the "Merchandise Deposit"). Fifty percent (50%) of the Merchandise Deposit is due within 10 business days of signing the Franchise Agreement. The remaining fifty percent (50%) is due within 10 business days after Consignee signs its lease for the franchise store. During the term of this Agreement, Consignor shall have all rights to utilize the Merchandise Deposit for any purposes without Consignee's consent or approval. Ownership of the Merchandise Deposit shall belong to Consignor throughout the term of this Agreement. After the expiration of this Agreement and any renewal periods, the Merchandise Deposit will be returned without interest within ninety (90) days, provided that Consignee is not then in breach or violation of the terms of this Agreement, the Franchise Agreement, or any other contractual agreement entered into with a Franchisor Affiliate. Consignor and/or Franchisor expressly reserve the right to use the Merchandise Deposit to offset payments or amounts owed by Consignee either to Consignor, Franchisor, or any Franchisor Affiliate. Any portion of the Merchandise Deposit withheld by Consignor, Franchisor or any Franchisor Affiliate shall not be construed as liquidated damages nor any other form of penalty. In the event that the Franchise Agreement is terminated prior to the expiration of the franchise term, the Merchandise Deposit is not required to be returned to Consignee until ninety (90) days after the expiration of the term, subject to offsets and provided that Consignee is not in breach of violation of the terms of this Agreement, the Franchise Agreement, or any other contractual agreement entered into with a Franchisor Affiliate. All at times, the store inventory cost of goods sold shall not exceed the Merchandise Deposit.

3.6 *Material & Equipment Fees*

In connection with the construction, renovation, and/or build-out of Consignee's franchise store, Consignee shall pay a Material & Equipment Fee to Consignor. The amount of the Material & Equipment Fee will vary depending on a number of factors, including the geographic location of the store, the size of the store, and the economic climate for the materials and equipment items that Consignee will need to purchase to open the store. Consignee will be responsible for purchasing the materials and equipment from Consignor at their cost. The Material &

Equipment Fee will cover the following items for the franchise store: all necessary office equipment and supplies; all store fixtures, including display racks, product display baskets, and boxes; spectacle display furniture; tableware furniture; shelving; U Pillow barrel; nail polish displays; makeup cotton baskets; jewelry display furniture; promotional materials; interior and exterior signage; cosmetic table; refrigerator; cashier desk and cabinets; umbrella fixtures; promotional display boxes; shopping baskets; one dedicated telephone line; store cameras; store lighting; hooks, bars, and brackets; wooden product display boards; uniforms for staff; one flat screen television for the store; and all other furniture needed to display the Products. Also included in the Material & Equipment Fee is the cost of purchasing the point of sale (POS) Computer System (as defined in Section 12(B) of the Franchise Agreement), which includes all store computers, the retail point of sale (POS) system, and all other operating systems and databases necessary to operate the franchise. The cost to purchase and install a telephone line, as well as the ongoing cost to maintain telephone service and high speed internet access, which is required for all franchise stores, is not included in the Material & Equipment Fee. The Material & Equipment Fee is due within ten (10) days following execution of the lease for Consignee's store. If Consignee desires to purchase any material or equipment locally, Consignee must first obtain written approval from Miniso Depot Franchisor LLC, as provided in the franchise agreement.

4. Territory

4.1 Territory

Consignee shall have the right to sell Products only in the store(s) where Consignee obtains the sublicense right pursuant to the Franchise Agreement.

5. Orders

5.1 Accepting and Filling Orders

All orders received by Consignee from Purchasers for Products are subject to acceptance by Consignor. Consignee expressly releases Consignor from liability for any loss or damage arising from the failure of Consignor to fill any such order.

5.2 Notice to be Given by Consignee

In selling Products Consignee shall:

- (a) Make no representations, promises or warranties concerning any Products except as specifically authorized by Consignor or Franchisor; and
- (b) Quote only the prices, terms and conditions for the sale of products fixed or authorized by Consignor or Franchisor in writing.

6. Maintaining and Inspecting Records

6.1 Maintaining, Inspecting and Furnishing Records

In order that Consignor may have a complete record of the quantity and type of Products sold or in inventory, Consignee agrees to furnish at least once a month, or at such intervals as agreed upon by Consignor and Consignee, a report of all its sales of Products. Consignee also agrees to keep accurate records of all contracts and accounts covered by this Agreement, and to permit examination of such contracts and accounts by Consignor or its agents at any time during Consignee's business hours. The right of Consignor to examine such accounts and contracts shall cease one year after termination of this Agreement. Consignee further agrees to have its books prepared at least annually by a certified accountant (licensed CPA) and to furnish a certified copy of such report to Consignor. If Franchisor invokes its right under the Franchise Agreement to require an inventory count, Consignee must cooperate in the count, whether done by Franchisor, Consignor, or any other third party. Consignee will be responsible for 50% of any third party costs incurred in connection with the inventory count if the reported accuracy rate, based on SKUs, is lower than 50%. Consignee also will be liable for 50% of the retail price of any inventory shortage reported in connection with the count.

6.2 Maintaining and Inspecting Store(s)

Consignee agrees to maintain a place of business, display room and service department satisfactory to Consignor, and Consignor shall have the right during Consignee's business hours to inspect said place of business, display room and service department, if applicable.

6.3 Secrecy

Consignee agrees that it shall keep secret and shall not divulge to any person, firm or corporation other than Consignor any information acquired by it directly or indirectly in the course of business which is or may be in any way prejudicial to the interests of the Consignor. This article shall survive the duration of this Agreement, and shall not be affected by the termination of this Agreement.

6.4 Consignor Access to Bank Account

Consignee shall provide Consignor with access to its ACH account or other similar bank account in which funds from the sale of Products are deposited, for the purpose of making the payments identified in Section 3 of this Agreement (or for paying any other taxes, expenses or fees set forth in this Agreement or the Franchise Agreement) out of the gross receipts of such account. Title to the ACH account or other similar bank account shall indicate that the funds therein are being held in trust for the benefit of Consignor. Consignor shall have the right to freeze the ACH account or other similar bank account and to select a third party to investigate and/or audit the account to resolve any issues or questions related to the account.

7. Returns, Claims and Disputes

7.1 Return of Products for Repair or Replacement

Consignee agrees that it will follow and be governed by any rules and regulations of Consignor then in force when returning any Products for repair or replacement, and the settlement made thereunder shall be final.

7.2 Notice of Claims

If Consignee shall have reason to believe it has any claim against Consignor in respect to any transaction growing out of this Agreement, it shall in writing notify Consignor within 30 days after Consignee knows or has reason to know the basis of any such claim. If Consignee fails to comply with the stipulations of this article, such claims shall be deemed to be waived and absolutely barred. The provisions of this article shall survive the termination of other portions of this Agreement.

7.3 Consignee's Damages

In the event of a breach of this Agreement by Consignor, Consignee's exclusive remedy and Consignor's limit of liability shall be for Consignee's actual damages which shall in no event exceed the price of the Products with respect to which the damages occurred. Consignor shall in no event be liable to Consignee:

- (a) On account of any such breach unless Consignee shall have demanded arbitration of such breach within one year after the cause of action accrued; or
- (b) For Consignee's injury to good will, or other incidental or consequential damages.

7.4 Consignee's Liability for Disappearance and Damage

In order to assure a high standard of care on the part of the Consignee, Consignee agrees to be fully responsible for all Products consigned to it by Consignor hereunder, and will pay for any Products which should be in the consigned stock, at any particular time, but which for any reason whatsoever have disappeared therefrom. It is recognized that Products may be subject to damage or loss while in the custody of Consignee, and Consignee accepts as its personal liability and responsibility all such damage and/or loss. If there is any loss or damage to the Products, Consignee can submit a written request to Consignor to investigate the issue. Consignor and/or its designee shall have the sole authority and discretion to investigate the issue. Once the investigation has been completed and the responsible party determined, Consignor shall assign responsibility for the loss or damage in accordance with the investigation's findings and conclusions.

7.5 Consignee's Liability for Insurance

Consignee shall maintain product liability insurance, and other types of insurance usually carried by persons engaged in the same or similar business, covering Products with Consignor as named beneficiary to the extent necessary to cover any risks which may be reasonably foreseen. Insurance must be in place and effective before any store opening. If Consignee elects to hire a

vendor for shipping and handling of Products that Consignor does not have a contract with, Consignee must furnish to Consignor evidence of insurance sufficient to cover such merchandise shipments and add Consignor as an additional insured.

8. Duration and Termination

8.1 Duration of Agreement

This Agreement shall begin on the date hereof and continue in force and govern all transactions and relations between the parties hereto for the same term as the Franchise Agreement. By mutual consent of Consignor and Consignee, this Agreement may be renewed in the manner and to the extent agreed upon by the parties.

8.2 Termination

Consignor shall have at its option the right to: (a) cancel this Agreement; and/or (b) delay or cancel any shipment under this Agreement; and/or (c) postpone or delay any payments due Consignee if any of the following events shall occur:

- (1) In case Consignee is a partnership or corporation and significant disagreements of any nature shall arise between the members of the partnership, or the directors, or managers of the corporation whereby Consignor deems its interests imperiled;
- (2) In case of the incapacity or death of Consignee or its key member(s);
- (3) If Consignee fails to perform any provision of this Agreement (including, without limitation, the failure to pay any amount when due hereunder) which failure remains uncorrected for more than thirty (30) days after written notice thereof by Consignor;
- (4) If Consignee shall become unable to pay its debts generally as they become due, or shall hold a meeting of its creditors, or shall make a general assignment for the benefit of creditors, or shall file a voluntary petition in bankruptcy, or shall file a petition or answer seeking, consenting to or acquiescing in any arrangement, adjustment, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or not contesting the material allegations of a petition or answer filed against it for or proposing any such relief; or if any proceeding against Consignee of the type referred to herein seeking any such relief shall not have been dismissed within sixty (60) days after the commencement thereof;
- (5) If a trustee, receiver or liquidator of Consignee or of any material part of Consignee's assets or properties shall be appointed and not dismissed or discharged for an aggregate of sixty (60) days (whether or not consecutive); or
- (6) If Consignee is a party to a merger, consolidation or other corporate reorganization.

To be an effective termination or suspension of performance under this article, whether by Consignor or Consignee, written notice must be sent to the other party and shall be effective.

8.3 Effect of Termination on Bona Fide Orders and Amounts Due Consignor

It is understood that any bona fide customer order which may have been received by Consignee prior to receipt of any notice of termination shall not in any way be affected by such termination. It is agreed that termination will not release Consignee from the payment of any sum which may then be owing to Consignor by Consignee.

8.4 Consignor's Right to Possession When Agreement Terminates or Expires

Subject to Franchisor's rights and obligations as set forth in the Franchise Agreement, in case of the termination or expiration of this Agreement, Consignor may at its option retake from Consignee, within a reasonable time after such termination or expiration, any or all Products on hand in Consignee's place of business or in the possession of Consignee and Consignee waives the rights against Consignee for trespass, injunctive relief or any similar legal actions. Subject to Consignee's rights and obligations as set forth in the Franchise Agreement, upon demand by Consignor, Consignee shall be obligated and hereby agrees to deliver such Products to Consignor at Consignee's expense. Consignor, however, reserves the right to reject any Products not in first class condition. Any Products sold by Consignee previous to the termination or expiration of this Agreement, but not yet delivered, may be delivered by Consignor, and all expenses thereof may be charged to Consignee's account and deducted at the time of final settlement.

9. Arbitration

9.1 Process

Except as precluded by law, any dispute, controversy, action or proceeding of any type, including any claim for equitable relief and/or for which Consignee is acting as a "private attorney general," suing pursuant to a statutory claim or otherwise (individually and collectively, a "Claim"), between Consignor, on the one hand, and Consignee and/or its Affiliates, Owners, and/or any of their respective guarantors, directors, officers, members, shareholders, partners, managers, agents, and/or employees, on the other hand, shall be resolved as provided in this Section 9.1. Except for a Claim specified in Section 9.3, below, Consignor and Consignee agree to mediate any Claim before resorting to arbitration or litigation. Such mediation shall be conducted before a retired judge with Judicial Arbitration and Mediation Services, Inc. ("JAMS"), who shall be jointly selected by the applicable parties. Mediation fees, if any, shall be divided equally between or among the parties involved. If such parties are unable to resolve such Claim(s) through mediation and except as provided in Section 9.4, below, such Claim(s) shall be resolved by binding arbitration as provided in this Section 9.1. Arbitration shall be conducted before and in accordance with the then-prevailing Commercial Rules of the American Arbitration Association ("AAA") or its successor and by one arbitrator, who must be a retired judge or a lawyer substantially experienced in franchising. In the event of a conflict between the terms of this Agreement and the then prevailing Commercial Rules of the AAA, the terms of this

Agreement shall govern. Any award must be in writing and judgment upon any award rendered may be entered in any court having jurisdiction thereof. The parties shall hold arbitration proceedings, awards, and related discussions confidential, except for such disclosure as may be required by law. Claims which would constitute a compulsory counter-claim, if brought in court under the state law must be filed in an arbitration proceeding brought under this Agreement or be barred. The substantive law applied in such arbitration shall be as provided in Section 10.13. The arbitration and the parties' agreement therefor shall be deemed to be self-executing, and if either party fails to appear at any properly-noticed arbitration proceeding, an award may be entered against such party despite said failure to appear. The arbitral decision shall be binding and conclusive on the parties.

9.2 Arbitrator's Authority.

The arbitrator shall decide any questions relating in any way to the parties' agreement to arbitrate, including arbitrability, applicability, subject matter, timeliness, scope, remedies, and any alleged fraud in the inducement, or purportedly void or voidable provisions of the Agreement. The arbitrator can issue summary orders disposing of all or part of a Claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, and other relief by any court having jurisdiction. The subpoena powers of the arbitrator with respect to witnesses to appear at the arbitration proceeding shall not be subject to any geographical limitation. No award in arbitration will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration. Arbitrators in any proceeding under this Section 9 will apply all applicable law, and a failure to apply the applicable law in accordance with Section 10.13 will be deemed an act in excess of authority and reviewable by the courts, and the parties expressly agree that any arbitration award can be reviewed and overturned by a court for legal error.

9.3 Location.

Any arbitration or mediation will be conducted exclusively at a neutral location in Los Angeles County, California. Consignee and Consignor agree that the provisions of this Section will control, notwithstanding any language included in Franchisor's franchise disclosure documents due to state requirements suggesting that the provisions of any Section might be unenforceable due to a failure to have a meeting of the minds or otherwise. Neither Consignee nor Consignor has any expectation that the provisions of this (or any other) Section will be unenforceable or that they will not be enforced. Consignee understands and agrees that one effect of this section may be that arbitration and other related costs may be greater, and it may be more difficult for Consignee to proceed, than if those proceedings took place in a location near Consignee's residence or business. If this provision is unenforceable for any reason, arbitration will be conducted at a neutral location reasonably near Consignee's franchised location.

9.4 Claims Brought in Court Proceedings or Arbitration.

Notwithstanding any other provisions of this Agreement or otherwise, i) either party shall be entitled to seek preliminary or interim injunctive or provisional relief by a court or by arbitration (including, but not limited to, a temporary restraining order and preliminary injunction and injunctive relief concerning rights to real property and possible eviction, all without bond) without showing or proving any actual damage, until such time as a final and binding determination is made by the arbitrator, and ii) any party to this Agreement is entitled to pursue an action for collection of debt(s) owed in either a court or arbitration proceeding when the right to payment has not been in dispute prior to the filing of such an action. The foregoing remedies shall be in addition to, and not in lieu of, all other remedies or rights which the parties might otherwise have by virtue of any breach of this Agreement by the other party.

9.5 Intention to Arbitrate

Consignee and Consignor expressly agree that, notwithstanding any contrary provisions of state or other law, and/or any statements in any disclosure document required by a state or other government as a condition to franchise registration or for some other purpose:

- i) all issues relating to arbitration and/or the enforcement of arbitration-related provisions will be decided by the arbitrator and governed only by the Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the federal common law of arbitration;
- ii) all provisions of this Agreement shall be fully enforced, including but not limited to those provisions relating to arbitration, venue, and choice of law; and
- iii) Consignee and Consignor intend to rely upon federal preemption under the Federal Arbitration Act (9 U.S.C. § 1 et seq.) and, as a result, the provisions of this Agreement will be enforced only according to their terms.

9.6 Survival and Enforcement

The terms of this Section 9 shall survive termination, expiration or cancellation of this Agreement. If any portion of this Section 9 is deemed to be unenforceable for any reason, it shall be modified or restricted, or severed, so as to comply with applicable law and shall be otherwise enforced according to its terms.

9.7 Attorneys' Fees & Costs

The prevailing party or parties in such lawsuit or arbitration arising out of or related to any Claim shall be entitled to recover, in addition to any relief, its attorneys' fees and costs, including expert witness fees and costs.

9.8 Terms Applicable to All Proceedings; Damages Limitation; Waiver of Class Action

UNWAIVABLE RIGHTS TO PUNITIVE, EXEMPLARY, MULTIPLE OR SIMILAR DAMAGES CONSIGNEE OR CONSIGNOR MAY HAVE UNDER ANY STATUTE OR REGULATION SHALL BE FULLY EFFECTIVE. OTHERWISE AND TO THE EXTENT PERMITTED BY LAW, ANY RECOVERY ON ANY CLAIM UNDER THIS AGREEMENT SHALL BE LIMITED TO ACTUAL DAMAGES SUSTAINED BY THE INJURED PARTY, WITH ALL PARTIES WAIVING CLAIMS FOR PUNITIVE, EXEMPLARY, MULTIPLE OR SIMILAR DAMAGES. ANY ARBITRATION OR OTHER PROCEEDING BETWEEN

CONSIGNOR OR ANY FRANCHISOR AFFILIATE AND CONSIGNEE AND ANY CONSIGNEE AFFILIATE OR OWNER SHALL BE BROUGHT AS AN INDIVIDUAL CLAIM AND SHALL NOT BE ARBITRATED OR LITIGATED ON A CLASS-WIDE OR CLASS ACTION BASIS TO THE FULLEST EXTENT PERMITTED BY LAW.

10. Miscellaneous Provisions

10.1 Agreement Non-Assignable; Binding Effect

No party shall assign any of its rights or obligations under this Agreement, whether by operation of law or otherwise, without obtaining the prior consent of the other parties to this Agreement. Subject to the foregoing, all of the provisions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the parties to this Agreement and their respective heirs, legal representatives, successors and assigns.

10.2 Amendment; Waiver

This Agreement may be amended, modified or superseded only by a written instrument signed by all of the parties to this Agreement. No party shall be deemed to have waived compliance by another party of any provision of this Agreement unless such waiver is contained in a written instrument signed by the waiving party and no waiver that may be given by a party will be applicable except in the specific instance for which it is given. The failure of any party to enforce at any time any of the provisions of this Agreement or to exercise any right or option contained in this Agreement or to require at any time performance of any of the provisions of this Agreement by any of the other parties shall not be construed to be a waiver of such provisions and shall not affect the validity of this Agreement or any of its provisions or the right of such party thereafter to enforce each provision of this Agreement. No course of dealing shall operate as a waiver or modification of any provision of this Agreement or otherwise prejudice such party's rights, powers and remedies.

10.3 Confidentiality of Certain Information

The parties and their respective agents and employees shall hold and keep confidential all information which is proprietary in nature and non-public or confidential, in whole or in part ("Confidential Information") which any of them may receive from any other party concerning such other party. Failure to mark any of the Confidential Information as non-public, proprietary or confidential shall not affect its status as Confidential Information under the terms of this Agreement. Confidential Information shall not include any information in the possession of the receiving party (a) that is developed by such party without reference to and independent of any Confidential Information, (b) is learned from a third party not under any duty of confidence to the disclosing party, or (c) becomes part of the public domain through no fault of the receiving party.

None of the parties nor their respective agents or employees shall, without the prior consent of the disclosing party, disclose or use any such Confidential Information, in whole or in part, except in connection with the performance of the transactions described in this Agreement.

Unless otherwise required by law, none of the parties shall disclose any Confidential Information acquired as a result of this Agreement to any person or entity, other than its respective counsel and other representatives, and such other third parties (such as bankers and lessors) with whom it must communicate to consummate the transactions described by this Agreement, all of whom must agree to keep the Confidential Information confidential.

10.4 Construction and Interpretation of Agreement

The following provisions shall apply to the construction and interpretation of this Agreement:

- (a) Section titles or captions in this Agreement are included for purposes of convenience only and shall not be considered a part of this Agreement in construing or interpreting any of its provisions. All references in this Agreement to Sections shall refer to Sections of this Agreement unless the context clearly otherwise requires.
- (b) When used in this Agreement, the word "including" shall have its normal common meaning and any list of items that may follow such word shall not be deemed to represent a complete list.
- (c) The parties have participated jointly in the negotiation and drafting of this Agreement. If any ambiguity or question of intent or interpretation arises, no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.
- (d) Unless the context otherwise requires, when used in this Agreement, the singular shall include the plural, the plural shall include the singular, and all nouns, pronouns and any variations thereof shall be deemed to refer to the masculine, feminine or neuter, as the identity of the person or persons may require.
- (e) The parties do not intend that this Agreement shall confer on any third party any right, remedy or benefit or that any third party shall have any right to enforce any provision of this Agreement.

10.5 Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original copy of this Agreement and all of which, when taken together, shall be deemed to constitute one and the same agreement.

10.6 Cumulative Remedies; Specific Performance

No right or remedy conferred upon or reserved to any of the parties under the terms of this Agreement is intended to be, nor shall it be deemed, exclusive of any other right or remedy provided in this Agreement or by law or equity, but each shall be cumulative of every other right or remedy. The parties understand and acknowledge that a party would be damaged irreparably by reason of a failure of another party to perform any obligation under this Agreement.

Accordingly, if any party attempts to enforce the provisions of this Agreement by specific performance (including preliminary or permanent injunctive relief), the party against whom such action or proceeding is brought waives the claim or defense that the other party has an adequate remedy at law.

10.7 Consequential Damages Excluded

Notwithstanding anything to the contrary elsewhere in this Agreement or at law, no party shall, in any event, be liable to the other party for any indirect or consequential damages, including without limitation, loss of revenue, cost of capital, loss of business reputation or opportunity and costs arising under or in connection with this Agreement.

10.8 Definitions

For the purposes of this Agreement, the following terms have the meanings specified or referred to below:

(a) **Affiliate.** Any Person controlled by, controlling or under common control with such Person. For the purposes of this definition, "control" of a Person means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person, whether by ownership of securities, contract, law or otherwise; and the terms "controlling" and "controlled" shall have meanings correlative to the foregoing.

(b) **Governmental Body.** Any (1) nation, state, county, city, town, village, district or other jurisdiction of any nature; (2) federal, state, local, municipal, foreign or other government; (3) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official or entity and any court or other tribunal); (4) multi-national organization or body; or (5) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature; or (6) any other Person.

(c) **Person.** Any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability partnership or company, joint venture, estate, trust, association, organization, labor union, or other entity or Governmental Body.

10.9 Entire Agreement

This Agreement, any addendum, and all ancillary agreements signed concurrently with this Agreement embodies the entire agreement and understanding of the parties related to its subject matter and supersedes all prior proposals, understandings, agreements, correspondence, arrangements and contemporaneous oral agreements relating to the subject matter of this Agreement; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by Franchisor in any Disclosure Document that was furnished to Franchisee by Franchisor. No representation, promise, inducement or statement of intention has been made by any party which has not been embodied in this Agreement, any addendum, and all ancillary agreements. This Agreement may be modified only by a written instrument signed

by the parties hereto.

10.10 Exhibits and Schedules

All Exhibits and Schedules to this Agreement, if any, shall constitute part of this Agreement and shall be deemed to be incorporated in this Agreement by reference and made a part of this Agreement as if set out in full at the point where first mentioned. Nothing in the Schedules shall be deemed adequate to disclose an exception to a representation or warranty made in this Agreement unless the Schedule identifies the exception with particularity and describes the relevant facts in detail. If any inconsistency exists between the statements in the body of this Agreement and those in the Schedules (other than an exception expressly set forth as such in the Schedules to a specifically identified representation or warranty), the statements in the body of this Agreement shall control. Without limiting the generality of the foregoing, the mere listing (or inclusion of a copy) of a document or other item shall not be deemed adequate to disclose an exception to a representation or warranty made in this Agreement (unless the representation or warranty has to do with the existence of the document or other item itself). The parties intend that each representation, warranty, covenant and obligation contained in this Agreement shall have independent significance. If any party has breached any representation, warranty, covenant or obligation contained in this Agreement in any respect, merely because there exists another representation, warranty, covenant or obligation relating to the same subject matter (regardless of the relative levels of specificity) which the party has not breached, it shall not detract from or mitigate the party's breach of the first representation, warranty, covenant or obligation.

10.11 Force Majeure

No party shall be responsible for any loss or damage to any of the other parties if that party is unable to fulfill any part of its obligations (other than the payment of money) under this Agreement, or is prevented or delayed from fulfilling such obligation, due to flood, earthquake or other act of God, war or hostilities, invasion, rebellion, insurrection, riot, strike, lockout, or any other cause beyond the control of the party ("Force Majeure"). If a Force Majeure occurs, the party affected shall notify the other parties immediately. The rights and obligations of a party shall be suspended only for the duration and extent of the Force Majeure and once the Force Majeure ceases to exist, the rights and obligations of the parties shall continue in full force and effect.

10.12 Further Assurances

Each party shall execute and deliver such additional documents or take such additional actions as may be requested by another party to this Agreement if such requested document or action is reasonably necessary to effect the transactions described in this Agreement.

10.13 Governing Law

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California, without giving effect to any conflict of law rule or principle of such state.

10.14 Independent Contractor Relationship

Regarding all matters relating to this Agreement, this Agreement creates an independent contractor relationship among the parties. Nothing contained in this Agreement shall be construed to (a) give any party the power to direct and control the day-to-day activities of the other, (b) constitute the parties as partners, joint venturers, co-owners or otherwise as participants in a joint or common undertaking, or (c) constitute any party, its agents or employees as employees of any other party or grant any of them the power or authority to act for, bind or otherwise create or assume any obligation on behalf of any of the other parties for any purpose whatever.

10.15 Notices

All notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given if delivered by hand, mailed by certified or registered mail with postage prepaid or by overnight mail , or if sent by facsimile as follows:

If to Consignor, to: [_____]
With a copy to: [_____]
If to Consignee, to: [_____]
With a copy to: [_____]

or to such other person or address as such party hereafter designates (by written notice to the other party).

10.16 Severability of Provisions

If a court in any final, unappealable proceeding holds any provision of this Agreement or its application to any person or circumstance invalid, illegal or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it was held to be invalid, illegal or unenforceable, shall not be affected, and shall be valid, legal and enforceable to the fullest extent permitted by law, but only if and to the extent such enforcement would not materially and adversely frustrate the parties' essential objectives as expressed in this Agreement. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties intend that the court add to this Agreement a provision as similar in terms to such invalid or unenforceable provision as may be valid and enforceable, so as to effect the original intent of the parties to the greatest extent possible.

10.17 Time of Essence

Time is of the essence to the performance of the obligations set forth in this Agreement.

SIGNATURES TO FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement effective as of the date first above written.

CONSIGNOR:

Miniso Depot CA, Inc.

By: _____

CONSIGNEE:

By: _____

SUPPLY AGREEMENT

EXHIBIT C

SUPPLY AGREEMENT

THIS SUPPLY AGREEMENT (this “Agreement”) is made effective this [_____] day of [_____] , 2021 (the “Effective Date”), between MINISO DEPOT CA, INC. (“Seller”), a California corporation, and [_____] (“Buyer”, and together with Seller, the “Parties”, and each, a “Party”).

RECITALS

WHEREAS, Buyer owns and/or operates certain Miniso retail stores pursuant to that certain Franchise Agreement with Miniso Depot Franchisor LLC (“Franchisor”), dated [_____] , 2021 (the “Franchise Agreement”), all as identified on Exhibit A attached hereto (collectively, the “Stores”);

WHEREAS, Seller is in the business of selling products herein described in Section 2.1 (the “Products”);

WHEREAS, Buyer desires to purchase certain Products exclusively from Seller for the purpose of facilitating the sale of Miniso branded and non-branded goods to the public pursuant to the terms and conditions of the Franchise Agreement; and

WHEREAS, Seller desires to sell the Products to Buyer and Buyer desires to order and purchase Products from Seller on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. General Terms

1.1 Sale of Products

During the term of this Agreement and in accordance with the terms and conditions contained herein, Seller shall, on a non-exclusive basis, sell to Buyer, and Buyer shall, on an exclusive basis, purchase from Seller, the Products.

1.2 Right to Name and Good Will

Pursuant to the Franchise Agreement, Buyer is entitled to use the distinctive system (the “System”) for the operation of a brick and mortar retail store offering and selling household consumer products, clothing, and accessories under the name “Miniso,” and to use the Miniso licensed trademarks in connection with the opening, promotion, distribution, sale and operation of a Miniso store. Upon termination or expiration of the Franchise Agreement (and any renewals thereof), this Agreement shall terminate automatically, and Buyer will discontinue the use of the System or the Miniso licensed trademarks, and thereafter will not use, either directly or

indirectly, in connection with its business, such words, or any other name, title or expression so nearly resembling the same as would be likely to lead to confusion or uncertainty or to deceive the public. For a Buyer with multiple stores, this Agreement will remain in effect so long as Buyer continues to have one or more stores open and one or more Franchise Agreement(s) in effect.

1.3 Security Interests

Buyer hereby grants Seller a security interest in all Products purchased hereunder (including, without limitation, Nonconforming Products (as defined herein) and Excess Products (as defined herein)) and the proceeds therefrom to secure Buyer's payment obligations under this Agreement. Seller may file a financing statement for such security interest and Buyer shall execute any such statements or other documentation necessary to perfect Seller's security interest in such Products.

1.4 Intellectual Property Rights

Buyer acknowledges and agrees that:

- (a) any and all Franchisor's Intellectual Property Rights (as defined herein) are the sole and exclusive property of Franchisor or its licensors;
- (b) Buyer shall not acquire any ownership interest in any of Franchisor's Intellectual Property Rights under this Agreement or the Franchise Agreement;
- (c) any goodwill derived from the use by Buyer of Franchisor's Intellectual Property Rights inures to the benefit of Franchisor or its licensors, as the case may be;
- (d) if Buyer acquires any Intellectual Property Rights, rights in or relating to any Products (including any rights in any Trademarks, derivative works, or patent improvements relating thereto) by operation of Law, or otherwise, such rights are deemed and are hereby irrevocably assigned to Franchisor or its licensors, as the case may be, without further action by either of the Parties; and
- (e) Buyer may use Franchisor's Intellectual Property Rights solely for the purpose of selling the Products under this Agreement and only in accordance with this Agreement, the Franchise Agreement and the written instructions of Seller or Franchisor.

Buyer shall not:

- (a) take any action that may interfere with any of Franchisor's rights in or to Franchisor's Intellectual Property Rights, including Franchisor's ownership or exercise thereof;

- (b) challenge any right, title, or interest of Franchisor in or to Franchisor's Intellectual Property Rights;
- (c) make any claim or take any action adverse to Franchisor's or its licensors' ownership of the Intellectual Property Rights;
- (d) register or apply for registrations, anywhere in the world, for Franchisor's Trademarks or any other Trademark that is similar to Franchisor's Trademarks or that incorporates Franchisor's Trademarks in whole or in confusingly similar part;
- (e) use any mark, anywhere that is confusingly similar to Franchisor's Trademarks in whole or in confusingly similar part;
- (f) engage in any action that tends to disparage, dilute the value of, or reflect negatively on the Products or any Franchisor's Trademarks;
- (g) misappropriate any of Franchisor's Trademarks for use as a domain name without prior written consent from Franchisor; or
- (h) alter, obscure or remove any Franchisor's Trademarks, or Trademark or copyright notices or any other proprietary rights notices placed on the Products, marketing materials or other materials that Franchisor or Seller may provide.

1.5 Location and Identification of Products

Products shall be kept by Buyer at the Miniso store location at which Buyer has been authorized to market and sell the Products, and/or at a warehouse or other store facility maintained or contracted for by Buyer to store the Products.

1.6 Exclusive Dealing

Buyer shall not during the term of this Agreement sell, offer to sell or promote the goods of any other person or entity which shall in any way compete with the sale of the Products.

2. Products

2.1 Products

Products shall refer to all the Miniso branded and non-Miniso branded goods (including Miniso-sourced Local Purchase Products) supplied by Seller to Buyer pursuant to this Agreement.

2.2 Change of Models or Design

Seller reserves the right to change the design of any Products and to add or delete models at any time without notice to Buyer. If any such change is made, there will be no obligation on Seller

to make such change upon any Products previously shipped or to be shipped in accordance with the Purchase Order of Buyer given to Seller prior to the date of the change, or different Products than were thereon when shipment was made.

2.3 Warranty

SELLER WARRANTS THAT PRODUCTS DELIVERED BY IT TO BUYER SHALL BE AS DESCRIBED IN THE PURCHASE ORDER ACCEPTED BY SELLER AND THAT ALL PRODUCTS DELIVERED BY IT TO BUYER SHALL BE FREE FROM DEFECTS IN WORKMANSHIP OR MATERIALS, BUT THERE ARE NO WARRANTIES WHICH EXTEND BEYOND SUCH DESCRIPTION. SELLER HEREBY EXCLUDES ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE AND ANY WARRANTY WHICH MIGHT OTHERWISE ARISE FROM THE COURSE OF DEALING BETWEEN THE PARTIES THERETO OR FROM ANY USAGE OF TRADE.

2.4 Evidence of the Quality, Condition and Quantity of Products

Upon delivery of Products to Buyer at the store location, the clean bill of lading, express receipt or similar delivery document shall serve as conclusive evidence of the quality, condition and quantity of Products.

2.5 Installation and Maintenance Service

Buyer agrees to provide and maintain at its own expense an efficient installation and maintenance service on all Products and fixtures installed in its territory, as defined hereinafter, in accordance with instructions issued by Seller from time to time. Buyer also agrees to see that all necessary repairs to the fixtures and replacements of Products in said territory are promptly and properly made, and to use every reasonable effort to maintain a standard of service consistent with Seller's policy. Seller shall have the right to stipulate the quantity of goods to be carried in stock by Buyer. In so stipulating, Seller will be governed by the number of Products in Buyer's territory to be serviced. Seller shall have the right during Buyer's business hours to inspect and check Buyer's stock of replacement goods, and if in Seller's judgment a sufficient quantity of goods for replacement purposes are not then in Buyer's stock, Buyer hereby agrees to immediately order such goods as may be required by Seller.

3. Price, Payment, and Commission

3.1 Sales Price to Customer

Buyer shall quote to customers the price for Products established by Seller in the latest price list of Seller furnished to Buyer.

3.2 Change of Sale Price to Customer

Seller reserves the right to change its price list from time to time and Buyer shall adjust the

prices which it quotes so as to conform to the revised price list.

3.3 *Allotment of Expenses*

Buyer shall be liable for and agrees to pay the following expenses to the extent they are associated with Products:

- (i) Property taxes for the inventory in the store;
- (j) Sales and Use taxes on transactions between Buyer and customers;
- (c) Storage and warehousing expenses, if applicable;
- (d) Product liability insurance and other types of insurance usually carried by persons engaged in the same or similar business to the extent necessary to cover any risks which may be reasonably foreseen;
- (e) Shipping and handling costs for delivery of Products from Seller to Buyer; and
- (f) Shopping bags to be provided to customers who purchase the Products. Seller will provide the shopping bags to Buyer, who will be responsible for paying Seller 100% of the cost of each shopping bag.

Seller shall be liable for and agrees to pay all excise and sales taxes on transactions between Seller and Buyer. If payment to shipping and handling vendor is over thirty (30) days past due, Seller reserves the right to stop shipment until vendor receives payment.

3.4 *Product Pricing*

(a) Buyer shall purchase the Products from Seller at the prices set forth in Seller's price list in effect at the time that Seller accepts the related Purchase Order (the "Purchase Price").

(b) The Purchase Price for Miniso-branded Products shall generally be 50% of the full retail price for sale of such Product to the customer, provided that Seller shall have the right to set such price in its sole discretion, including at a variant percentage of full retail price.

(c) The Purchase Price for non-Miniso-branded Products, including Miniso-sourced Local Purchase Products, shall generally be 70% of the retail price for sale of such Product to the customer, provided that Seller shall have the right to set such price in its sole discretion, including at a variant percentage of full retail price.

3.5 *Payment on Local Products Independently Identified by Buyer ("Franchisee-sourced Local Purchase Products")*

Solely with respect to any local purchase products independently identified, sourced, and sold to

customers by Buyer, which consist of any products that are not MINISO-branded, such as food and beverage goods, souvenir items, and other locally-sourced products, that Franchisee identifies and obtains approval from Franchisor to sell (“Franchisee-sourced Local Purchase Products”), Buyer must pay a royalty fee of 10% of gross revenues on any Franchisee-sourced Local Purchase Products to Franchisor pursuant to the terms of the Franchise Agreement.

BUYER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS SELLER, FRANCHISOR AND FRANCHISOR’S LICENSOR FROM ANY AND ALL LOSSES FOR INFRINGEMENT OF A PATENT OR PATENTS, COPYRIGHTS, TRADEMARKS OR ANY OTHER INTELLECTUAL PROPERTY RIGHT OR TRADE SECRETS MISAPPROPRIATION GROWING OUT OF OR INCIDENT TO THE SALE OF FRANCHISEE-SOURCED LOCAL PURCHASE PRODUCTS.

3.6 Material & Equipment Fees

In connection with the construction, renovation, and/or build-out of Buyer’s franchise store, Buyer shall pay a Material & Equipment Fee to Seller. The amount of the Material & Equipment Fee will vary depending on a number of factors, including the geographic location of the store, the size of the store, and the economic climate for the materials and equipment items that Buyer will need to purchase to open the store. Buyer will be responsible for purchasing the materials and equipment from Seller at their cost. The Material & Equipment Fee will cover the following items for the franchise store: all necessary office equipment and supplies; all store fixtures, including display racks, product display baskets, and boxes; spectacle display furniture; tableware furniture; shelving; U Pillow barrel; nail polish displays; makeup cotton baskets; jewelry display furniture; promotional materials; interior and exterior signage; cosmetic table; refrigerator; cashier desk and cabinets; umbrella fixtures; promotional display boxes; shopping baskets; one dedicated telephone line; store cameras; store lighting; hooks, bars, and brackets; wooden product display boards; uniforms for staff; one flat screen television for the store; and all other furniture needed to display the Products. Also included in the Material & Equipment Fee is the cost of purchasing the (POS) Computer System, which includes all store computers, the retail point of sale (POS) system, and all other operating systems and databases necessary to operate the franchise. The cost to purchase and install a telephone line, as well as the ongoing cost to maintain telephone service and high speed internet access, which is required for all franchise stores, is not included in the Material & Equipment Fee. The Material & Equipment Fee is due within ten (10) days following execution of the lease for Buyer’s store. If Buyer desires to purchase any material or equipment locally, Buyer must first obtain written approval from Franchisor, as provided in the Franchise Agreement.

4. Territory

4.1 Territory

Buyer shall have the right to sell Products only in the store(s) where Buyer obtains the sublicense right pursuant to the Franchise Agreement.

5. Orders

5.1 *Terms of Sale by Buyer*

In selling Products, Buyer shall:

- (a) Make no representations, promises or warranties concerning any Products except as specifically authorized by Seller or Franchisor; and
- (b) Quote only the prices, terms and conditions for the sale of Products fixed or authorized by Seller or Franchisor in writing.

5.2 *Ordering Procedure*

All orders for Products shall be made in accordance with the terms and conditions of Seller's standard purchase order (a copy of such terms and conditions is attached hereto as Exhibit B and incorporated herein by this reference) (each, a "Purchase Order", and collectively, the "Purchase Orders"), as amended from time to time and the terms of this Agreement. The Parties shall be bound by the terms of all such Purchase Orders; provided, however, that the terms of this Agreement shall control when in conflict with the terms of any such Purchase Order. Buyer shall deliver Purchase Orders to Seller in written or electronic form via e-mail or US mail.

5.3 *Initial Allocation and Replenishment of Products*

Franchisor will generate an initial allocation list of Products determined pursuant to the Franchisor-approved store layout (the "Initial Allocation"). Buyer shall purchase all Products listed in the Initial Allocation. Subsequent replenishment of Products will be based on Buyer's open-to-buy Forecast (as defined herein).

After Buyer's Initial Allocation, Franchisor will generate a routine allocation picking list, which shall take into account Buyer's logistics and stock capacity (the "Routine Allocation Picking List"). Buyer may adjust the quantity of each category listed in the Routine Allocation Picking List provided that (a) the overall quantity of the Routine Allocation is no less than 80% of the overall quantity of the Initial Allocation and (b) each category is not less than 3% of the overall quantity of the Initial Allocation.

In the event Buyer desires not to purchase a certain category in a Routine Allocation, Buyer shall submit a request with detailed information regarding its desire not to purchase a certain category to Franchisor, which shall approve at its sole discretion, taking into account both sales data and allocation data.

Once the Initial Allocation or Routine Allocation is finalized, as applicable, Buyer shall pay 100% of the Purchase Price, plus tax, prior to Franchisor beginning the picking process in the warehouse.

5.4 *Acceptance, Rejection, and Cancellation of Purchase Orders*

No Purchase Order is binding on Seller unless accepted by Seller as provided in this Agreement.

Seller shall select the method of shipment of, and the carrier for, the Products. Seller may, in its sole discretion, without liability or penalty, make partial shipments of Products to Buyer. Each shipment will constitute a separate sale, and Buyer shall pay for the Products shipped whether such shipment is in whole or partial fulfillment of a Purchase Order. Notwithstanding the foregoing, Seller shall not be obligated to ship the Products prior to receipt and acceptance by Seller of the full and complete Purchase Order and payment of the Purchase Price in full to Seller.

5.5 *Title of Products*

Title to Products ordered under any Purchase Order passes to Buyer upon receipt by Seller of the full Purchase Price. Notwithstanding any agreement between Buyer and Seller concerning transfer of title or responsibility for shipping costs, risk of loss to Products shipped under any Purchase Order passes to Buyer upon receipt and acceptance by Buyer at the applicable delivery location for such Products, and Buyer will bear all risk of loss or damage with respect to all Products until Buyer's receipt and acceptance of such Products in accordance with the terms hereof.

5.6 *Payment*

Upon acceptance of a Purchase Order by Seller in accordance with Section 5.3 of this Agreement, Seller shall provide Buyer with an invoice, which sets forth all amounts due for all Products.¹ Buyer shall pay all invoiced amounts due to Seller on Buyer's receipt of such invoice. Buyer shall make all payments in US dollars by wire transfer or ACH² in accordance with the following instructions:

Domestic ACH:

Bank Name JP Morgan Chase bank
Routing Number (ABA): 322271627
Checking Account Number: 602777960
Beneficiary: Miniso Depot CA Inc.

For International Wire Transfer (USD):

Bank Name JP Morgan Chase bank
SWIFT CODE: CHASUS33
Routing Number (ABA): 322271627
Checking Account Number: 602777960
Beneficiary: Miniso Depot CA Inc.

Seller shall not be obligated to ship the Products under any Purchaser Order until Buyer has paid

¹ Any fees incurred by Seller as a result of Buyer's insufficient funds in any transaction shall be borne by the Buyer.

² Or other payment method authorized by Seller on case-by-case basis.

the entire invoiced amount due.

Buyer shall notify Seller in writing of any dispute with any invoice (along with substantiating documentation) within three (3) Business Days from the Buyer's receipt of such invoice. Buyer will be deemed to have accepted all invoices for which Seller does not receive timely notification of disputes and shall pay all undisputed amounts due under such invoices within the period set forth in this Section 5.5. The Parties shall seek to resolve all such disputes expeditiously and in good faith. Notwithstanding anything to the contrary, Buyer shall continue performing its obligations under this Agreement during any such dispute, including, without limitation, Buyer's obligation to pay all due and undisputed invoice amounts.

5.7 Terms of Agreement Prevail Over Buyer's Purchase Order

This Agreement is expressly limited to the terms of this Agreement, the terms of the Franchise Agreement, and the terms contained in the applicable Purchase Order. The terms of this Agreement prevail the terms or conditions contained in the Purchase Order or any other documentation. In the event of any conflict between the terms of this Agreement and the terms of any Purchase Order or any other document, the terms of this Agreement prevail.

5.8 Forecasts

Buyer will provide to Seller a forecast of quarterly Purchase Orders ("Forecast") for the period beginning with the [] calendar quarter of 2021. No later than five days prior to the first day of each subsequent calendar quarter, Buyer shall deliver to Seller a Forecast for the period beginning with the first day of such calendar quarter. In the event Buyer's Forecast differs from Seller's routine allocation picking list, Buyer and Seller agree to resolve such differences in good faith.

5.9 Delivery

Seller shall deliver the Products solely to store locations leased by Buyer pursuant to the Franchise Agreement, at such store location set forth in the Purchase Order, using Seller's standard methods for packaging and shipping such Products. Any time quoted by Seller for delivery is an estimate only. Seller is not liable for or in respect of any loss or damage arising from any delay in filling any order, failure to deliver or delay in delivery. No delay in the shipment or delivery of any Products relieves Buyer of its obligations under this Agreement, including without limitation accepting delivery of any remaining installment(s) of Products.

Seller shall use commercially reasonable efforts to pack, mark, and ship Products and shall endeavor to provide Buyer with shipment documentation showing the Purchase Order number, Seller's identification number for the subject Products, the quantity of pieces in shipment, the number of cartons or containers in shipment, Seller's name, the bill of lading number, and the country of origin.

5.10 Inspection

Buyer shall inspect the Products within two (2) days of receipt (“Inspection Period”) of the Products and either accept or, if such Products are Nonconforming Products or Excess Products, reject such Products. Buyer will be deemed to have accepted the Products unless it notifies Seller in writing of any Nonconforming Products or Excess Products during the Inspection Period and furnishes such written evidence or other documentation as required by Seller. If Buyer timely notifies Seller of any Nonconforming Products or Excess Products, Seller shall determine, in its sole discretion, whether the Products are Nonconforming Products or Excess Products. If Seller determines that the Products are Nonconforming Products or Excess Products, it shall, in its sole discretion:

(a) if such Products are Nonconforming Products, (i) replace such Nonconforming Products with conforming Products upon return of such Nonconforming Products to Seller, or (ii) refund the Price for such Nonconforming Products, together with all shipping and handling expenses incurred by Buyer in connection therewith upon return of such Nonconforming Products to Seller; or

(b) if such Products are Excess Products, refund the Price for such Excess Products, together with all shipping and handling expenses incurred by Buyer in connection therewith, upon return of such Excess Products to Seller.

Buyer shall ship, at Buyer’s expense and risk of loss, the Nonconforming Products or Excess Products to Seller’s facility located as directed by Seller. If Seller exercises its option to replace Nonconforming Products, Seller shall, after receiving Buyer’s shipment of Nonconforming Products, ship to Buyer, at Buyer’s expense and risk of loss, the replaced Products to the same location where the Nonconforming Products were originally delivered, unless otherwise agreed in writing by Seller.

BUYER ACKNOWLEDGES AND AGREES THAT THE REMEDIES SET FORTH IN SECTION 7.3 ARE BUYER’S EXCLUSIVE REMEDIES FOR THE DELIVERY OF NONCONFORMING PRODUCTS OR EXCESS PRODUCTS.

6. Maintaining and Inspecting Records

6.1 Maintaining, Inspecting and Furnishing Records

In order that Seller may have a complete record of the quantity and type of Products sold or in inventory, Buyer agrees to furnish at least once a month, or at such intervals as agreed upon by Seller and Buyer, a report of all its sales of Products (including Local Products). Buyer also agrees to keep accurate records of all contracts and accounts covered by this Agreement, and to permit examination of such contracts and accounts by Seller or its agents at any time during Buyer's business hours. The right of Seller to examine such accounts and contracts shall cease one year after termination of this Agreement. Buyer further agrees to have its books prepared at least annually by a certified accountant (licensed CPA) and to furnish a certified copy of such report to Seller.

6.2 *Unsatisfactory Credit Status*

Buyer shall furnish Seller with statements evidencing Buyer's financial condition as Seller may, from time to time, reasonably request, and shall notify Seller immediately of any and all events that may have a material adverse effect on Buyer's business or financial condition. If Seller determines in its sole discretion that Buyer's financial condition or creditworthiness is inadequate or unsatisfactory, then in addition to Seller's other rights, Seller may without liability or penalty take any of the following actions:

- (a) accelerate all amounts owed by Buyer to Seller under this Agreement and any Purchase Order;
- (b) on written Notice, modify the payment terms specified in Section 5.5 for outstanding and future Purchase Orders, including requiring Buyer to pay cash in advance;
- (c) cancel any previously accepted Purchase Orders;
- (d) delay any further shipment of Products to Buyer; or
- (f) any combination of the above.

No actions taken by Seller under this Section 6.2 (nor any failure of Seller to act under this Section) constitute a waiver by Seller of any of its rights to enforce Buyer's obligations under this Agreement including, but not limited to, the obligation of Buyer to make payments as required under this Agreement.

6.3 *Maintaining and Inspecting Store(s)*

Buyer agrees to maintain a place of business, display room and service department satisfactory to Seller, and Seller shall have the right during Buyer's business hours to inspect said place of business, display room and service department, if applicable.

6.4 *Secrecy*

Buyer agrees that it shall keep secret and shall not divulge to any person, firm or corporation other than Seller any information acquired by it directly or indirectly in the course of business which is or may be in any way prejudicial to the interests of Seller. This article shall survive the duration of this Agreement, and shall not be affected by the termination of this Agreement.

7. Returns, Claims and Disputes

7.1 Return of Products for Repair or Replacement

Buyer agrees that it will follow and be governed by any rules and regulations of Seller then in force when returning any Products for repair or replacement, and the settlement made thereunder shall be final.

7.2 *Notice of Claims*

If Buyer shall have reason to believe it has any claim against Seller in respect to any transaction growing out of this Agreement, it shall in writing notify Seller within 30 days after Buyer knows or has reason to know the basis of any such claim. If Buyer fails to comply with the stipulations of this article, such claims shall be deemed to be waived and absolutely barred. The provisions of this article shall survive the termination of other portions of this Agreement.

7.3 *Buyer's Damages*

In the event of a breach of this Agreement by Seller, Buyer's exclusive remedy and Seller's limit of liability shall be for Buyer's actual damages which shall in no event exceed the price of the Products with respect to which the damages occurred. Seller shall in no event be liable to Buyer:

- (a) On account of any such breach unless Buyer shall have demanded arbitration of such breach within one year after the cause of action accrued; or
- (b) For Buyer's injury to good will, or other incidental or consequential damages.

7.4 *Buyer's Liability for Insurance*

Buyer shall maintain product liability insurance, and other types of insurance usually carried by persons engaged in the same or similar business, covering Products with Seller as named beneficiary to the extent necessary to cover any risks which may be reasonably foreseen. Insurance must be in place and effective before any store opening. If Buyer elects to hire a vendor for shipping and handling of Products that Seller does not have a contract with, Buyer must furnish to Seller evidence of insurance sufficient to cover such merchandise shipments and add Seller as an additional insured.

7.5 *No Set-off Right*

Buyer shall not, and acknowledges that it will have no right, under this Agreement, any Purchase Order, any other agreement, document, to withhold, offset, recoup or debit any amounts owed (or to become due and owing) to Seller or any of its Affiliates, whether under this Agreement or otherwise, against any other amount owed (or to become due and owing) to it by Seller or Seller's Affiliates, whether relating to Seller's or its Affiliates' breach or non-performance of this Agreement, any Purchase Order, or any other agreement.

8. Duration and Termination

8.1 *Duration of Agreement*

This Agreement shall begin on the date hereof and continue in force and govern all transactions and relations between the parties hereto for the same term as the Franchise Agreement. By mutual consent of Seller and Buyer, this Agreement may be renewed in the manner and to the

extent agreed upon by the parties.

8.2 *Termination*

Seller shall have at its option the right to: (a) cancel this Agreement; and/or (b) delay or cancel any shipment under this Agreement; and/or (c) postpone or delay any payments due Buyer if any of the following events shall occur:

- (1) In case Buyer is a partnership, limited liability company or corporation and significant disagreements of any nature shall arise between the members of the partnership, or the directors or stockholders of the corporation, or the members or managers of the limited liability company whereby Seller deems its interests imperiled;
- (2) In case of the incapacity or death of Buyer or its key member(s);
- (3) If Buyer fails to perform any provision of this Agreement (including, without limitation, the failure to pay any amount when due hereunder) which failure remains uncorrected for more than thirty (30) days after written notice thereof by Seller;
- (4) If Buyer shall become unable to pay its debts generally as they become due, or shall hold a meeting of its creditors, or shall make a general assignment for the benefit of creditors, or shall file a voluntary petition in bankruptcy, or shall file a petition or answer seeking, consenting to or acquiescing in any arrangement, adjustment, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or not contesting the material allegations of a petition or answer filed against it for or proposing any such relief; or if any proceeding against Buyer of the type referred to herein seeking any such relief shall not have been dismissed within sixty (60) days after the commencement thereof;
- (5) If a trustee, receiver or liquidator of Buyer or of any material part of Buyer's assets or properties shall be appointed and not dismissed or discharged for an aggregate of sixty (60) days (whether or not consecutive); or
- (6) If Buyer is a party to a merger, consolidation or other corporate reorganization.

To be an effective termination or suspension of performance under this article, whether by Seller or Buyer, written notice must be sent to the other party and shall be effective.

8.3 *Effect of Termination on Bona Fide Orders and Amounts Due Seller*

It is understood that any bona fide customer order which may have been received by Buyer prior to receipt of any notice of termination shall not in any way be affected by such termination. It is agreed that termination will not release Buyer from the payment of any sum which may then be owing to Seller by Buyer.

8.4 *Seller's Right to Possession When Agreement Terminates or Expires*

Subject to Franchisor's rights and obligations as set forth in the Franchise Agreement, in case of the termination or expiration of this Agreement, Seller may, at its option, repurchase from Buyer at a rate between 5% and 25% of the original Purchase Price, as determined by Seller, and within a reasonable time after such termination or expiration, any or all Products on hand in Buyer's place of business or in the possession of Buyer and Buyer waives the rights against Buyer for trespass, injunctive relief or any similar legal actions. Subject to Buyer's rights and obligations as set forth in the Franchise Agreement, upon demand by Seller, Buyer shall be obligated and hereby agrees to deliver such Products to Seller at Buyer's expense. Seller, however, reserves the right to reject any Products not in first class condition. Any Products sold by Buyer previous to the termination or expiration of this Agreement, but not yet delivered, may be delivered by Seller, and all expenses thereof may be charged to Buyer's account and deducted at the time of final settlement. Buyer shall not initiate any liquidation or going-out-of-business sale, or any similar type of sale, without the prior written approval of Franchisor or Seller.

9. Arbitration

9.1 Process

Except as precluded by law, any dispute, controversy, action or proceeding of any type, including any claim for equitable relief and/or for which Buyer is acting as a "private attorney general," suing pursuant to a statutory claim or otherwise (individually and collectively, a "Claim"), between Seller, on the one hand, and Buyer and/or its Affiliates, Owners, and/or any of their respective guarantors, directors, officers, members, shareholders, partners, managers, agents, and/or employees, on the other hand, shall be resolved as provided in this Section 9.1. Except for a Claim specified in Section 9.3, below, Seller and Buyer agree to mediate any Claim before resorting to arbitration or litigation. Such mediation shall be conducted before a retired judge with Judicial Arbitration and Mediation Services, Inc. ("JAMS"), who shall be jointly selected by the applicable parties. Mediation fees, if any, shall be divided equally between or among the parties involved. If such parties are unable to resolve such Claim(s) through mediation and except as provided in Section 9.4, below, such Claim(s) shall be resolved by binding arbitration as provided in this Section 9.1. Arbitration shall be conducted before and in accordance with the then-prevailing Commercial Rules of the American Arbitration Association ("AAA") or its successor and by one arbitrator, who must be a retired judge or a lawyer substantially experienced in franchising. In the event of a conflict between the terms of this Agreement and the then prevailing Commercial Rules of the AAA, the terms of this Agreement shall govern. Any award must be in writing and judgment upon any award rendered may be entered in any court having jurisdiction thereof. The parties shall hold arbitration proceedings, awards, and related discussions confidential, except for such disclosure as may be required by law. Claims which would constitute a compulsory counter-claim, if brought in court under the state law must be filed in an arbitration proceeding brought under this Agreement or be barred. The substantive law applied in such arbitration shall be as provided in Section 10.13. The arbitration and the parties' agreement therefor shall be deemed to be self-executing, and if either party fails to appear at any properly-noticed arbitration proceeding, an award may be entered against such party despite said failure to appear. The arbitral decision shall be binding and conclusive on the parties.

9.2 *Arbitrator's Authority.*

The arbitrator shall decide any questions relating in any way to the parties' agreement to arbitrate, including arbitrability, applicability, subject matter, timeliness, scope, remedies, and any alleged fraud in the inducement, or purportedly void or voidable provisions of the Agreement. The arbitrator can issue summary orders disposing of all or part of a Claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, and other relief by any court having jurisdiction. The subpoena powers of the arbitrator with respect to witnesses to appear at the arbitration proceeding shall not be subject to any geographical limitation. No award in arbitration will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration. Arbitrators in any proceeding under this Section 9 will apply all applicable law, and a failure to apply the applicable law in accordance with Section 10.13 will be deemed an act in excess of authority and reviewable by the courts, and the parties expressly agree that any arbitration award can be reviewed and overturned by a court for legal error.

9.3 *Location.*

Any arbitration or mediation will be conducted exclusively at a neutral location in Los Angeles County, California. Buyer and Seller agree that the provisions of this Section will control, notwithstanding any language included in Franchisor's franchise disclosure documents due to state requirements suggesting that the provisions of any Section might be unenforceable due to a failure to have a meeting of the minds or otherwise. Neither Buyer nor Seller has any expectation that the provisions of this (or any other) Section will be unenforceable or that they will not be enforced. Buyer understands and agrees that one effect of this section may be that arbitration and other related costs may be greater, and it may be more difficult for Buyer to proceed, than if those proceedings took place in a location near Buyer's residence or business. If this provision is unenforceable for any reason, arbitration will be conducted at a neutral location reasonably near Buyer's franchised location.

9.4 *Claims Brought in Court Proceedings or Arbitration.*

Notwithstanding any other provisions of this Agreement or otherwise, i) either party shall be entitled to seek preliminary or interim injunctive or provisional relief by a court or by arbitration (including, but not limited to, a temporary restraining order and preliminary injunction and injunctive relief concerning rights to real property and possible eviction, all without bond) without showing or proving any actual damage, until such time as a final and binding determination is made by the arbitrator, and ii) any party to this Agreement is entitled to pursue an action for collection of debt(s) owed in either a court or arbitration proceeding when the right to payment has not been in dispute prior to the filing of such an action. The foregoing remedies shall be in addition to, and not in lieu of, all other remedies or rights which the parties might otherwise have by virtue of any breach of this Agreement by the other party.

9.5 *Intention to Arbitrate*

Buyer and Seller expressly agree that, notwithstanding any contrary provisions of state or other law, and/or any statements in any disclosure document required by a state or other government as a condition to franchise registration or for some other purpose:

- (a) all issues relating to arbitration and/or the enforcement of arbitration-related provisions will be decided by the arbitrator and governed only by the Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the federal common law of arbitration;.
- (b) all provisions of this Agreement shall be fully enforced, including but not limited to those provisions relating to arbitration, venue, and choice of law; and
- (c) Buyer and Seller intend to rely upon federal preemption under the Federal Arbitration Act (9 U.S.C. § 1 et seq.) and, as a result, the provisions of this Agreement will be enforced only according to their terms.

9.6 *Survival and Enforcement*

The terms of this Section 9 shall survive termination, expiration or cancellation of this Agreement. If any portion of this Section 9 is deemed to be unenforceable for any reason, it shall be modified or restricted, or severed, so as to comply with applicable law and shall be otherwise enforced according to its terms.

9.7 *Attorneys' Fees & Costs*

The prevailing party or parties in such lawsuit or arbitration arising out of or related to any Claim shall be entitled to recover, in addition to any relief, its attorneys' fees and costs, including expert witness fees and costs.

9.8 *Terms Applicable to All Proceedings; Damages Limitation; Waiver of Class Action*

UNWAIVABLE RIGHTS TO PUNITIVE, EXEMPLARY, MULTIPLE OR SIMILAR DAMAGES BUYER OR SELLER MAY HAVE UNDER ANY STATUTE OR REGULATION SHALL BE FULLY EFFECTIVE. OTHERWISE AND TO THE EXTENT PERMITTED BY LAW, ANY RECOVERY ON ANY CLAIM UNDER THIS AGREEMENT SHALL BE LIMITED TO ACTUAL DAMAGES SUSTAINED BY THE INJURED PARTY, WITH ALL PARTIES WAIVING CLAIMS FOR PUNITIVE, EXEMPLARY, MULTIPLE OR SIMILAR DAMAGES. ANY ARBITRATION OR OTHER PROCEEDING BETWEEN SELLER OR ANY FRANCHISOR AFFILIATE AND BUYER AND ANY BUYER AFFILIATE OR OWNER SHALL BE BROUGHT AS AN INDIVIDUAL CLAIM AND SHALL NOT BE ARBITRATED OR LITIGATED ON A CLASS-WIDE OR CLASS ACTION BASIS TO THE FULLEST EXTENT PERMITTED BY LAW.

10. Miscellaneous Provisions

10.1 *Agreement Non-Assignable; Binding Effect*

No party shall assign any of its rights or obligations under this Agreement, whether by operation of law or otherwise, without obtaining the prior consent of the other parties to this Agreement, provided, however that Seller shall be entitled to assign this Agreement and all rights, privileges, liabilities and obligations of Seller hereunder to Franchisor or any Franchisor Affiliate. Subject to the foregoing, all of the provisions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the parties to this Agreement and their respective heirs, legal representatives, successors and assigns.

10.2 Amendment; Waiver

This Agreement may be amended, modified or superseded only by a written instrument signed by all of the parties to this Agreement. No party shall be deemed to have waived compliance by another party of any provision of this Agreement unless such waiver is contained in a written instrument signed by the waiving party and no waiver that may be given by a party will be applicable except in the specific instance for which it is given. The failure of any party to enforce at any time any of the provisions of this Agreement or to exercise any right or option contained in this Agreement or to require at any time performance of any of the provisions of this Agreement by any of the other parties shall not be construed to be a waiver of such provisions and shall not affect the validity of this Agreement or any of its provisions or the right of such party thereafter to enforce each provision of this Agreement. No course of dealing shall operate as a waiver or modification of any provision of this Agreement or otherwise prejudice such party's rights, powers and remedies.

10.3 Confidentiality of Certain Information

The parties and their respective agents and employees shall hold and keep confidential all information which is proprietary in nature and non-public or confidential, in whole or in part ("Confidential Information") which any of them may receive from any other party concerning such other party. Failure to mark any of the Confidential Information as non-public, proprietary or confidential shall not affect its status as Confidential Information under the terms of this Agreement. Confidential Information shall not include any information in the possession of the receiving party (a) that is developed by such party without reference to and independent of any Confidential Information, (b) is learned from a third party not under any duty of confidence to the disclosing party, or (c) becomes part of the public domain through no fault of the receiving party.

None of the parties nor their respective agents or employees shall, without the prior consent of the disclosing party, disclose or use any such Confidential Information, in whole or in part, except in connection with the performance of the transactions described in this Agreement. Unless otherwise required by law, none of the parties shall disclose any Confidential Information acquired as a result of this Agreement to any person or entity, other than its respective counsel and other representatives, and such other third parties (such as bankers and lessors) with whom it must communicate to consummate the transactions described by this Agreement, all of whom must agree to keep the Confidential Information confidential.

10.4 Construction and Interpretation of Agreement

The following provisions shall apply to the construction and interpretation of this Agreement:

- (a) Section titles or captions in this Agreement are included for purposes of convenience only and shall not be considered a part of this Agreement in construing or interpreting any of its provisions. All references in this Agreement to Sections shall refer to Sections of this Agreement unless the context clearly otherwise requires.
- (b) When used in this Agreement, the word "including" shall have its normal common meaning and any list of items that may follow such word shall not be deemed to represent a complete list.
- (c) The parties have participated jointly in the negotiation and drafting of this Agreement. If any ambiguity or question of intent or interpretation arises, no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.
- (d) Unless the context otherwise requires, when used in this Agreement, the singular shall include the plural, the plural shall include the singular, and all nouns, pronouns and any variations thereof shall be deemed to refer to the masculine, feminine or neuter, as the identity of the person or persons may require.
- (e) The parties do not intend that this Agreement shall confer on any third party any right, remedy or benefit or that any third party shall have any right to enforce any provision of this Agreement.

10.5 Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original copy of this Agreement and all of which, when taken together, shall be deemed to constitute one and the same agreement.

10.6 Cumulative Remedies; Specific Performance

No right or remedy conferred upon or reserved to any of the Parties under the terms of this Agreement is intended to be, nor shall it be deemed, exclusive of any other right or remedy provided in this Agreement or by law or equity, but each shall be cumulative of every other right or remedy. Notwithstanding the previous sentence, the Parties intend that Buyer's rights under Section 7.3 are Buyer's exclusive remedies for the events specified therein. The Parties understand and acknowledge that a Party would be damaged irreparably by reason of a failure of another Party to perform any obligation under this Agreement. Accordingly, if any Party attempts to enforce the provisions of this Agreement by specific performance (including preliminary or permanent injunctive relief), the Party against whom such action or proceeding is brought waives the claim or defense that the other Party has an adequate remedy at law.

10.7 Consequential Damages Excluded

Notwithstanding anything to the contrary elsewhere in this Agreement or at law, no party shall, in any event, be liable to the other party for any indirect or consequential damages, including without limitation, loss of revenue, cost of capital, loss of business reputation or opportunity and costs arising under or in connection with this Agreement.

10.8 Definitions

For the purposes of this Agreement, the following terms have the meanings specified or referred to below:

- (a) Affiliate. Any Person controlled by, controlling or under common control with such Person. For the purposes of this definition, "control" of a Person means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person, whether by ownership of securities, contract, law or otherwise; and the terms "controlling" and "controlled" shall have meanings correlative to the foregoing.
- (b) Business Day. Any day other than a Saturday, Sunday or a day on which banking institutions in the State of California are authorized or obligated by law or executive order to close.
- (c) Excess Products. Any Products received by Buyer from Seller pursuant to a Purchase Order that materially exceed the quantity of Products ordered by Buyer pursuant to this Agreement or any Purchase Order. Where the context requires, Excess Products are deemed to be Products for purposes of this Agreement.
- (d) Governmental Body. Any (1) nation, state, county, city, town, village, district or other jurisdiction of any nature; (2) federal, state, local, municipal, foreign or other government; (3) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official or entity and any court or other tribunal); (4) multi-national organization or body; or (5) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature; or (6) any other Person.
- (e) Intellectual Property Rights. All industrial and other intellectual property rights comprising or relating to (i) Patents; (ii) Trademarks; (iii) internet domain names, whether or not Trademarks, registered by any authorized private registrar or Governmental Body, web addresses, web pages, websites, and URLs; (iv) works of authorship, expressions, designs, and design registrations, whether or not copyrightable, including copyrights and copyrightable works, software, and firmware, application programming interfaces, architecture, files, records, schematics, data, data files, and databases and other specifications and documentation; (v) Trade Secrets; and (vi) all industrial and other intellectual property rights, and all rights, interests, and protections that are associated with, equivalent or similar to, or required for the exercise of, any of the foregoing, however arising, in each case whether registered or unregistered and

including all registrations and applications for, and renewals or extensions of, such rights or forms of protection pursuant to the laws of any jurisdiction throughout in any part of the world.

(f) Person. Any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability partnership or company, joint venture, estate, trust, association, organization, labor union, or other entity or Governmental Body.

(g) Nonconforming Products. Any Products received by Buyer from Seller pursuant to a Purchase Order that: (i) do not substantially conform to the make listed in the applicable Purchase Order; (ii) do not substantially conform to the specifications; or (iii) materially exceed the quantity of Products ordered by Buyer pursuant to this Agreement or any Purchase Order. Where the context requires, Nonconforming Products are deemed to be Products for purposes of this Agreement.

(h) Trademarks. All rights in and to US and foreign trademarks, service marks, trade dress, trade names, brand names, logos, trade dress, corporate names, and domain names, and other similar designations of source, sponsorship, association or origin, together with the goodwill symbolized by any of the foregoing, in each case whether registered or unregistered and including all registrations and applications for, and renewals and extensions of, such rights and all similar or equivalent rights or forms of protection in any part of the world.

(i) Trade Secrets. All inventions, discoveries, trade secrets, business and technical information, and know-how, databases, data collections, patent disclosures, and other confidential and proprietary information and all rights therein.

10.9 Entire Agreement

This Agreement, any addendum, and all ancillary agreements signed concurrently with this Agreement embodies the entire agreement and understanding of the parties related to its subject matter and supersedes all prior proposals, understandings, agreements, correspondence, arrangements and contemporaneous oral agreements relating to the subject matter of this Agreement; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by Franchisor in any Disclosure Document that was furnished to Franchisee by Franchisor. No representation, promise, inducement or statement of intention has been made by any party which has not been embodied in this Agreement, any addendum, and all ancillary agreements. This Agreement may be modified only by a written instrument signed by the parties hereto.

10.10 Exhibits and Schedules

All Exhibits and Schedules to this Agreement, if any, shall constitute part of this Agreement and shall be deemed to be incorporated in this Agreement by reference and made a part of this Agreement as if set out in full at the point where first mentioned. Nothing in the Schedules shall be deemed adequate to disclose an exception to a representation or warranty made in this

Agreement unless the Schedule identifies the exception with particularity and describes the relevant facts in detail. If any inconsistency exists between the statements in the body of this Agreement and those in the Schedules (other than an exception expressly set forth as such in the Schedules to a specifically identified representation or warranty), the statements in the body of this Agreement shall control. Without limiting the generality of the foregoing, the mere listing (or inclusion of a copy) of a document or other item shall not be deemed adequate to disclose an exception to a representation or warranty made in this Agreement (unless the representation or warranty has to do with the existence of the document or other item itself). The parties intend that each representation, warranty, covenant and obligation contained in this Agreement shall have independent significance. If any party has breached any representation, warranty, covenant or obligation contained in this Agreement in any respect, merely because there exists another representation, warranty, covenant or obligation relating to the same subject matter (regardless of the relative levels of specificity) which the party has not breached, it shall not detract from or mitigate the party's breach of the first representation, warranty, covenant or obligation.

10.11 Force Majeure

No party shall be responsible for any loss or damage to any of the other parties if that party is unable to fulfill any part of its obligations (other than the payment of money) under this Agreement, or is prevented or delayed from fulfilling such obligation, due to flood, earthquake or other act of God, war or hostilities, invasion, rebellion, insurrection, riot, strike, lockout, or any other cause beyond the control of the party ("Force Majeure"). If a Force Majeure occurs, the party affected shall notify the other parties immediately. The rights and obligations of a party shall be suspended only for the duration and extent of the Force Majeure and once the Force Majeure ceases to exist, the rights and obligations of the parties shall continue in full force and effect.

10.12 Further Assurances

Each party shall execute and deliver such additional documents or take such additional actions as may be requested by another party to this Agreement if such requested document or action is reasonably necessary to effect the transactions described in this Agreement.

10.13 Governing Law

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California, without giving effect to any conflict of law rule or principle of such state.

10.14 Independent Contractor Relationship

Regarding all matters relating to this Agreement, this Agreement creates an independent contractor relationship among the parties. Nothing contained in this Agreement shall be construed to (a) give any party the power to direct and control the day-to-day activities of the other, (b) constitute the parties as partners, joint venturers, co-owners or otherwise as participants in a joint or common undertaking, or (c) constitute any party, its agents or employees as employees of any other party or grant any of them the power or authority to act for, bind or

otherwise create or assume any obligation on behalf of any of the other parties for any purpose whatever.

10.15 Notices

All notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given if delivered by hand, mailed by certified or registered mail with postage prepaid or by overnight mail, or if sent by electronic mail as follows:

If to Seller, to: franchise@minisousa.com
c/o Franchise Department
200 S. Los Robles Ave., Suite 200, Pasadena, CA 91101
With a copy to: merchandise@minisousa.com

If to Buyer, to: [REDACTED]
With a copy to: [REDACTED]

or to such other person or address as such party hereafter designates (by written notice to the other party).

10.16 Severability of Provisions

If a court in any final, unappealable proceeding holds any provision of this Agreement or its application to any person or circumstance invalid, illegal or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it was held to be invalid, illegal or unenforceable, shall not be affected, and shall be valid, legal and enforceable to the fullest extent permitted by law, but only if and to the extent such enforcement would not materially and adversely frustrate the parties' essential objectives as expressed in this Agreement. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties intend that the court add to this Agreement a provision as similar in terms to such invalid or unenforceable provision as may be valid and enforceable, so as to effect the original intent of the parties to the greatest extent possible.

10.17 Time of Essence

Time is of the essence to the performance of the obligations set forth in this Agreement.

SIGNATURES TO FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement effective as of the date first above written.

SELLER:

Miniso Depot CA, Inc.

By: _____

BUYER:

By: _____

Name:

Title:

Exhibit A

[to be attached]

Exhibit B

[to be attached]

OPERATING STANDARDS MANUAL
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EXHIBIT D

OPERATIONS HANDBOOK



PROPRIETARY INFORMATION

Unauthorized dissemination is strictly prohibited.

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TRAINING CHECKLIST	4	17
STANDARD OPERATING PROCEDURES (S.O.P.)	21	34
REGISTER MANUAL	55	102
CLOVER DEVICE MANUAL	157	12
ACCUBANKER LED430 MANUAL	169	3
DISPLAY MANUAL	172	56

FINANCIAL STATEMENTS

See attached.

IF INTERIM FINANCIAL STATEMENTS ARE ATTACHED IN ADDITION TO THE ANNUAL FINANCIAL STATEMENTS, PLEASE NOTE THAT THESE INTERIM FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE INTERIM FINANCIAL STATEMENTS OR EXPRESSED HIS/HER OPINION WITH REGARD TO THEIR CONTENT OR FORM. INTERIM FINANCIAL STATEMENTS ARE PREPARED IN ACCORDANCE WITH U.S. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

EXHIBIT E

Miniso Depot Franchisor LLC
Income Statement
for the Period ending June 30, 2021
(Unaudited)

Description	Period Ending 06/30/2021
**Ordinary Income/Expense	
***Income	
Franchise Income	0.00
Other Income	0.00
***Total Income	<u>0.00</u>
***Cost of Sales	<u>0.00</u>
**Gross Profit	0.00
**Operating Expense	
Professional Fees	-113,892.00
Amortization	-5,000.00
License and State Filing Fees	-143.75
Bank Service Fees	-476.16
**Total Operating Expense	<u><u>-119,511.91</u></u>
*Net Income	<u><u>-119,511.91</u></u>

Miniso Depot Franchisor LLC
 Balance Sheet
 as of June 30, 2021
 (Unaudited)

Description	As of 06/30/2021
*Assets	
**Current Assets	
Cash and Bank	119,963.95
Accounts Receivable	882,000.00
Prepaid	800.00
**Total Current Assets	1,002,763.95
Other Deposit	750.00
Intangible Asset	100,000.00
Accumulated Depreciation	-35,000.00
*Total Assets	<u>1,068,513.95</u>
*LIABILITIES & EQUITY	
**Liability	
***Current liability	
Other Payables, affiliates	550,838.86
**Total Liability	<u>550,838.86</u>
**Equity	
Capital	637,187.00
Net Income	-119,511.91
**Total Equity	<u>517,675.09</u>
*TOTAL LIABILITIES & EQUITY	<u>1,068,513.95</u>



MINISO DEPOT FRANCHISOR LLC

Financial Statements **As of December 31, 2020** **And Independent Auditor's Report**

MINISO DEPOT FRANCHISOR LLC

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INDEPENDENT AUDITOR'S REPORT

To the LLC Members
Miniso Depot Franchisor LLC

We have audited the accompanying financial statements of Miniso Depot Franchisor LLC, a California LLC, which comprise the balance sheet as of December 31, 2020, and the related statements of operations, changes in of members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted the audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion.

(Continued)

Opinion

In our opinion, the financial statements referred to the above present fairly, in all material respects, the financial position of Miniso Depot Franchisor LLC as of December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted primarily for the purpose of forming an opinion on the financial statements as a whole. The supplementary Schedule of Operations and Operating Expenses on page 17, respectively, are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Spectrum Accountancy Corp.

Arcadia, California
March 18, 2021

MINISO DEPOT FRANCHISOR LLC

Balance Sheet

December 31, 2020

ASSETS

Current Assets:

Cash (notes 2 and 3)	\$ 120,764
Other receivable, affiliate (note 5)	<u>882,000</u>
Total current assets	1,002,764

Trademark

net of \$30,000 accumulated amortization	<u>70,000</u>
Total non-current assets	<u>70,000</u>

Total assets	<u><u>\$ 1,072,764</u></u>
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LIABILITIES AND MEMBERS' EQUITY

Current liabilities:

Other payables, affiliates (note 5)	<u>\$ 435,577</u>
Total current liabilities	<u>435,577</u>

Members' equity	<u>637,187</u>
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Total liabilities and members' equity	<u><u>\$ 1,072,764</u></u>
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See accompanying independent auditor's report and notes to financial statements

MINISO DEPOT FRANCHISOR LLC

Statement of Operations

Year Ended December 31, 2020

Revenues (note 2)	
Franchise income	\$ -
Design fee income	-
Decoration materials income	-
Sales discount	-
	<hr/>
	-
Cost of sales	-
	<hr/>
Gross profit	-
Operating expenses (note 2)	40,599
	<hr/>
Operating loss	(40,599)
Other expense	(328)
	<hr/>
Loss before provision for income taxes	(40,927)
Income taxes provision (note 4)	(800)
	<hr/>
Net loss	<u>\$ (41,727)</u>

See accompanying independent auditor's report and notes to financial statements

MINISO DEPOT FRANCHISOR LLC
Statement of Changes in Members' Equity

	Members' contributions	Accumulated earnings	Total Members' equity
Balance - January 1, 2020	\$ 450,000	\$ 228,914	\$ 678,914
Net loss	-	(41,727)	(41,727)
Balance - December 31, 2020	<u>\$ 450,000</u>	<u>\$ 187,187</u>	<u>\$ 637,187</u>

See accompanying independent auditor's report and notes to financial statements

MINISO DEPOT FRANCHISOR LLC

Statement of Cash Flows

Year Ended December 31, 2020

Cash flows from operating activities:

Net loss	\$ (41,727)
Adjustments to reconcile net loss to net cash from operating activities:	
Amortization	10,000
Changes in assets and liabilities:	
Other receivable, affiliate	(12,000)
Accounts payable	-
Other payables, affiliates	25,915
Accrued expenses	-
	<hr/>
Net cash provided/(used) by operating activities	(17,812)

Cash flows from investing activities

Purchase of furniture and equipment	<hr/> -
Net cash provided/(used) by investing activities	<hr/> -

Cash flows from financing activities

Proceeds from Member's contribution	<hr/> -
Net cash provide/(used) by financing activities	<hr/> -

Net increase/(decrease) in cash

(17,812)

Cash, beginning

138,576

Cash, end

\$ 120,764

Supplemental disclosure of cash flow information:

Cash paid for:	
Income tax	\$ 800

See accompanying independent auditor's report and notes to financial statements

MINISO DEPOT FRANCHISOR LLC

Notes to Financial Statements

Note 1. BUSINESS AND BASIS OF PRESENTATION

Description of Business

Miniso Depot Franchisor LLC (hereinafter referred to as the "Company") was established in the state of California on February 15, 2018. The Company is offering a franchise of MINISO, a designer brand of intelligent consumer products. The Company was formed for the purpose of offering and selling the MINISO franchise in the United States and servicing, supporting and administrating the MINISO franchises. The Company sublicenses the trademarks from its affiliate, USA Miniso Depot Inc. and in term, USA Miniso Depot Inc. holds a license from its affiliate, Guangdong Saiman Investment Co., Ltd., a Chinese company, to use the MINISO trademarks and branding in the U.S. retail markets.

The company is subject to risks common to a new and startup companies including but not limited to, trademarks registration denial, competition in the similar market space, dependence on key personnel, commercialization of existing and new products, protection of proprietary information, and compliance with federal and local jurisdiction regulatory requirements.

Basis of Accounting

The accounting and reporting policies of the Company are in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which is based on the accrual method of accounting.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Company is presented to assist in the understanding of the Company's financial statements. The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparations of these financial statements.

Use of Estimates and Assumptions

The management uses estimates and assumptions in preparing financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts and disclosure of contingent of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Estimates are used for, but not limited to, the assumptions and estimates used by management in conjunction with the following: (1) measurement of valuation allowances relating to trade receivables and deferred tax assets; and (2) the selection of the useful life of property and equipment, fair values, revenue recognition, taxes, budgeted costs and other similar charges. These estimates are periodically reviewed and, accordingly, adjustments made to these estimates are taken into income in the year in which it is determined. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could vary from these estimates.

In particular, a number of estimates have been and will continue to be affected by the ongoing COVID-19 pandemic. The severity, magnitude and duration of the pandemic, and the resulting economic consequences, remain uncertain, rapidly changing and difficult to predict. As a result, the Company's accounting estimates and assumptions may change over time.

MINISO DEPOT FRANCHISOR LLC

Notes to Financial Statements

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, accounts receivables and accounts payables arising from its normal business activities. The Company extends credit to its customers and note holder on an unsecured basis, performs ongoing credit evaluations of its customers and note holder, and maintains an allowance for potential credit losses as deemed necessary.

Liquidity Risk

Liquidity risk is dependent on receipt of funds from sales and continued access to sufficient credit facilities to be able to pay the Company's liabilities as they become due.

Cash

For the purposes of reporting cash flows, the Company considers all highly-liquid investments with original or remaining maturities to the Company of three months (ninety days) or less to be cash equivalents. Cash and cash equivalents are maintained with secured financial institutions. If, due to current economic conditions, one or more of the financial institutions with which the Company maintains deposit fails, the Company's cash and cash equivalents may be at risk. Deposits with these financial institutions may exceed the amount of insurance provided on such deposits; however, these deposits typically may be redeemed upon demand and therefore, bear minimal risk.

At December 31, 2020, the Company periodically throughout the year has maintained balances on one operating account under federally insured limits.

Accounts Receivables

Accounts receivables arise in the normal course of business through franchise sales and fees earned. Management evaluates individual customer's receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off if deemed uncollectible and recoveries of accounts receivable written off are recorded as income when received. The Company did not have any allowance or doubtful accounts as of December 31, 2020 and did not charge-off an accounts receivables during the year ended December 31, 2020.

Property and Equipment

Property and equipment are stated at cost. Depreciation and amortization of equipment and furniture commence when assets are placed in service. Depreciation of equipment and furniture is computed using the straight-line method over the estimated useful lives of the assets. The estimated useful lives of the assets are as follows:

Computer equipment and software	5	years
Office equipment	7	years
Office furniture	7	years

Expenditures for replacements and betterments to property and equipment are capitalized, while maintenance, repairs and minor renewals are charged directly to expense as incurred.

When assets are disposed of, the related cost and accumulated depreciation and amortization thereon are removed from the accounts and any resulting gain or loss is included in operations. To date, the Company does not have any property and equipment.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of Long - Lived Assets

The Company periodically evaluates the net realizable value long-lived assets, including property and equipment. When indicators of impairment are present, the carrying values of assets are evaluated in relation to the operating performance and estimated future undiscounted cash flows of the underlying assets. An impairment in the carrying value of an asset is recognized whenever anticipated future undiscounted cash flows from an asset are estimated to be less than its carrying value. The amount of the impairment recognized is the difference between the carrying value of the asset and its fair value. To date, no impairment has been recorded.

Fair Value Measurements

The FASB ASC 820, "Fair Value Measurements and Disclosures", provides the framework for measuring fair value. The framework prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Investments measured and reported at fair value are classified and disclosed in one of the following three categories:

Level 1 – Quoted market prices (unadjusted) are available in active markets for identical assets or liabilities;

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level 3 – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

As of December 31, 2020, the Company did not have any assets or liabilities requiring measurement at fair value without observable market value that would require a high level of judgment to determine fair value.

Intangible Assets

The Company has adopted ASC 350, "Intangibles", provides that goodwill and other that requires that goodwill and intangible assets with indefinite lives no longer be amortized to earnings but be tested for impairment at least annually. Intangible assets with finite lives are amortized over their estimated useful lives. The useful life of an intangible asset is the period over which it is expected to contribute directly or indirectly to future cash flows. Intangible assets with finite lives are reviewed for impairment if events or changes in circumstances indicate that the carrying value might not be recoverable. The Company has no impairment charge to its intangible assets as of December 31, 2020.

MINISO DEPOT FRANCHISOR LLC

Notes to Financial Statements

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Revenue Recognition

Under ASC 606, *Revenue from Contracts with Customers*, the guidance for contracts with customers, an entity is required to (a) identify the contract(s) with a customer, (b) identify the performance obligations in the contract, (c) determine the transaction price, (d) allocate the transaction price to the performance obligations in the contract, and (e) recognize revenue when (or as) the entity satisfies a performance obligation.

The Company generally executes franchise agreements for each store that establishes the terms of its arrangement with the Franchisee. Franchise revenue, such as initial franchise fees, decoration materials, and design fees are recognized as revenue when all material services or conditions have been substantially performed or satisfied and no other material conditions or obligations related to the determination of substantial performance exist. At times, the Company provides certain discounts and allowances to its Franchisees for the initial franchise fees, merchandise deposit fees and other related initial startup costs.

Advertising Fund Contribution

The Company may establish a national advertising/marketing fund contribution to provide regional and national advertising for the benefit of the franchisees. If the advertising/marketing fund is established, the franchisee will pay the Company a monthly contribution based on a certain percentage of franchisee's gross revenue. As of December 31, 2020, the Company has no advertising/marketing fund set-up in place.

Store Pre-Opening Costs

Costs incurred in connection with start-up and promotion of new store openings are expensed as incurred.

Income Taxes

The Company is a limited liability company with more than one member. In accordance to federal and California tax statute, a multi-member limited liability company is taxed as a flow through entity, therefore, the Company is not subject to federal and California entity level income tax liability. The Company accounts for the California franchise tax and fees based on the applicable California provision.

The Company accounts for income taxes under FASB ASC topic 740, *Income Taxes*. ASC topic 740 defines an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns. ASC topic 740 further requires that a tax position must be more likely than not to be sustained before being recognized in the financial statements, as well as the accrual of interest and penalties as applicable on unrecognized tax positions.

Income taxes are accounted for under the asset-and-liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period which includes the enactment date. If it is more likely than not that some portion or all of a deferred tax asset will not be realized, a valuation allowance is recognized.

MINISO DEPOT FRANCHISOR LLC

Notes to Financial Statements

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Income Taxes (Continued)

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax provisions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

Based on its analysis of its position, the Company has concluded that it does not have any uncertain tax positions that meet the recognition or measurement criteria of ASC 740-10. In addition, the Company files U.S. federal and local tax income tax returns. No income tax returns are currently under examination by the government agencies. The statute of limitations of the Company's U.S. federal and state income tax returns remains open from three to four years, respectively. The statute of limitations of the Company's local state income tax returns may remain open for additional year depending upon the jurisdiction.

Net Income (Loss) and Comprehensive Income (Loss)

The Company's net income (loss) and comprehensive income (loss) are identical.

Recent Accounting Pronouncements

The FASB issued ASU No. 2017-4, *Simplifying the Test for Goodwill Impairment*, in January 2017. This guidance eliminates the requirement to calculate the implied fair value, essentially eliminating step two from the goodwill impairment test. The new standard requires goodwill impairment to be based upon the results of step one of the impairment test, which is defined as the excess of the carrying value of a reporting unit over its fair value. The impairment charge will be limited to the amount of goodwill allocated to that reporting unit. The Company is currently evaluating the impact of the adoption of this guidance to the Company's financial statements and related disclosures and does not expect the adoption will have material impact.

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740)* ("ASU No. 2019-12"), which is a part of the Simplification Initiative being undertaken by the FASB to reduce complexity of accounting standards. The amendments in this update simplify the accounting for income taxes by removing certain exceptions, the most notable for the Company being the exception to the general methodology for calculating income taxes in an interim period when the year-to-date loss exceeds the anticipated loss for the full year. The guidance will be effective for interim and annual periods beginning after December 15, 2020. Early adoption is permitted, and any adjustments should be reflected as of the beginning of the annual period of adoption. Amendments relevant to the Company should be applied on a prospective basis. The impact of the standard is largely dependent on interim and anticipated profit or loss in a given period, however the Company does not expect ASU No. 2019-12 to have a significant impact on its financial statements.

In January 2021, the FASB issued ASC No. 2021-02, *Franchisors – Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient*. This new practical expedient will allow franchisors that are not public business entities to account for pre-opening services provided in a franchisee as a single-performance if the services are in line with the services listed within the guidance, and they meet certain other conditions. The Company does not expect this standard to have significant impact on its financial statements.

There are other updates recently issued. The management does not believe that other than disclosed above, the recently issued, but not yet adopted, accounting pronouncements will have a material impact on its financial position or cash flows.

MINISO DEPOT FRANCHISOR LLC
Notes to Financial Statements

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications

Certain amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

Note 3. CASH

For the deposits in the bank of the United States, the Federal Deposit Insurance ("FDIC") insures the bank balance up to \$250,000 for depositor for each account type both bearing and non-bearing interest.

Although the Company maintains its accounts in one bank, and at times, accounts may exceed the federally insured limits. The Company has not experienced any losses in such accounts, and the management believes the Company is not exposed to any significant credit risk on these accounts.

Checking account, non-interest bearing	\$	120,764
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Note 4. INCOME TAXES

The components of the income from continuing operations provision for income taxes by taxing jurisdiction are as follows:

	<u>For the Year Ended December 31, 2020</u>
Federal	
Current	\$ -
Deferred	-
State	
Current	800
Deferred	-
Total	<u>\$ 800</u>

MINISO DEPOT FRANCHISOR LLC

Notes to Financial Statements

Note 5. RELATED-PARTY TRANSACTIONS

Throughout the years, the Company incurred transactions with its affiliated companies. The relationship and related parties transactions are as follows:

Relationship with related parties

<u>Name of related parties</u>	<u>Relationship</u>	<u>Country Incorporated</u>
USA Miniso Depot Inc.	Parent Company	United States
Miniso Depot Investment LLC	Sister Company	United States
Miniso Depot CA Inc.	Sister Company	United States
Miniso Depot Management Service LLC	Sister Company	United States

(1) Other receivable, affiliate

During the year 2018, the Company's affiliate, Miniso Depot Investment LLC, collected franchise-related fee payments on behalf of the Company. During the year 2020, The Company prepaid certain operating expense on behalf of its affiliate, Miniso Dept Management Services LLC. The balances as of December 31, 2020 represent outstanding *Other Receivable* due from its affiliated company.

	For the year ended
	<u>December 31, 2020</u>
Miniso Depot Investment LLC	<u>\$ 882,000</u>

(2) Other payables, affiliates

Since 2018, the Company's affiliates, Miniso Depot CA Inc. and USA Miniso Depot Inc., paid certain operating expenditures, such as State filing and registration fees, accounting fees, and legal service fees, on behalf of the Company. In addition, the Company collected certain franchise-related fee payment on behalf of its affiliate, Miniso Depot Management Service LLC. The balances as of December 31, 2020 represent outstanding *Other Payables* due to its affiliated companies since inception.

	For the year ended
	<u>December 31 ,2020</u>
Miniso Depot CA Inc.	\$ 375,427
USA Miniso Depot Inc.	60,000
Miniso Depot Management Service LLC	<u>150</u>
	<u>\$ 435,577</u>

MINISO DEPOT FRANCHISOR LLC

Notes to Financial Statements

Note 6. COMMITMENTS

Franchise license agreement

The Company signed a long-term franchise license agreements with its affiliate, USA Miniso Depot, Inc., which grants the Company the usage of MINISO brand, logo as well as license to a distinctive operating system for the Miniso franchise and operating system in the U.S. and its territories for ten years. The MINISO brand, logo and the operating system are sublicensed by USA Miniso Depot, Inc. from its affiliate, Guangdong Saiman Investment Co., Ltd., a corporation organized under the laws of the People's Republic of China.

Contingency

In the normal course of business, the Company may become a party to litigation matters involving claims against the Company. The Company's Management is unaware of any major pending or threatened assertions that would have a material effect on the Company's financial position or results of operations.

In March 2020, the Company issued a formal notice of termination letter to one of its Franchisees, Miniso Ontario Mills L.P.. The letter serves the purpose of notifying the Franchisee that they have breached the Franchise Agreement Section 16.A.vi clause, at which the Franchisee has abandoned the accepted location for its franchise business for a period of five or more consecutive days without the Company's advance written consent, as a result, the landlord evicted the Franchisee from its retail location. As of March 2020, Miniso Ontario Mills L.P. Franchisee has an outstanding receivable balance of \$16,184.86 due to its sister company, Miniso Depot CA Inc. In September 2020, the Company and its former Franchisee participated in mediation pursuant to a contractual pre-dispute mediation provision. The mediation was unsuccessful, but no lawsuit or claim has been filed to date, and currently there is no litigation pending against the Company or its affiliates arising out of the termination of this Franchisee. The Company is unable to state the outcome and provide an estimated value should a claim ultimately be filed. Based on counsel and Management's opinion, the Company has and will vigorously contest the case in good faith if a claim is filed to resolve this matter on terms acceptable to the Company.

Note 7. SUMMARY OF FRANCHISE ACTIVITY

Changes in the number of franchises for the year ended December 31, 2020 consist of the following:

Units in operation, beginning	5
Units opened	-
Units terminated or closed	<u>1</u>
Units in operation, ending	<u>4</u>
Franchise Units	4
Company owned Units	-

Note 8. SUBSEQUENT EVENTS

The management of the Company has evaluated subsequent events from balance sheet date through March 18, 2021, which is the date of the financial statements were available to be issued. The Company is not aware of any other subsequent events which would require recognition or disclosure in the financial statements.

MINISO DEPOT FRANCHISOR LLC

Detailed Schedule of Operations and Operating Expenses

Year Ended December 31, 2020

Revenues			
Franchise income	\$	-	- %
Design fee income		-	-
Decoration materials income		-	-
Sales discount		-	-
		<u>-</u>	<u>-</u>
		-	-
Cost of goods sold			
Inventory, beginning		-	
Purchases		-	
		<u>-</u>	
Cost of goods available for sale		-	
		-	
Less: Inventory, end		<u>-</u>	
		-	
Cost of goods sold		<u>-</u>	<u>-</u>
Gross profit		-	-
Operating expenses			
Professional fees		28,118	69.2
Amortization		10,000	24.6
License and State filing fees		2,046	5.0
Bank service fees		435	1.1
		<u>40,599</u>	<u>100.0</u>
Total operating expenses		<u>40,599</u>	<u>100.0</u>
Operating loss	\$	<u>(40,599)</u>	<u>(100.0) %</u>

See accompanying independent auditor's report and notes to financial statements



MINISO DEPOT FRANCHISOR LLC

Financial Statements **As of December 31, 2019** **And Independent Auditor's Report**

MINISO DEPOT FRANCHISOR LLC

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INDEPENDENT AUDITOR'S REPORT

To the LLC Members
MINISO DEPOT FRANCHISOR LLC

We have audited the accompanying financial statements of MINISO DEPOT FRANCHISOR LLC, a California LLC, which comprise the balance sheet as of December 31, 2019, and the related statement of income, statement of members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted the audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion.

(Continued)

Opinion

In our opinion, the financial statements referred to the above present fairly, in all material respects, the financial position of MINISO DEPOT FRANCHISOR LLC as of December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted primarily for the purpose of forming an opinion on the financial statements as a whole. The supplementary Schedule of Income and Operating Expenses on page 17, respectively, are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Spectrum Accountancy Corp.

Arcadia, California
April 19, 2020

MINISO DEPOT FRANCHISOR LLC

Balance Sheet

December 31, 2019

ASSETS

Current Assets:

Cash (notes 2 and 3)	\$ 138,576
Advance to related party (note 5)	<u>870,000</u>
Total current assets	1,008,576

Trademark

net of \$20,000 accumulated amortization	<u>80,000</u>
Total non-current assets	<u>80,000</u>

Total assets	<u><u>\$ 1,088,576</u></u>
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LIABILITIES AND MEMBER'S EQUITY

Current liabilities:

Advance from related party (note 5)	<u>\$ 409,662</u>
Total current liabilities	<u>409,662</u>

Members' equity	<u>678,914</u>
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Total Liabilities and members' equity	<u><u>\$ 1,088,576</u></u>
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See accompanying independent auditor's report and notes to financial statements

MINISO DEPOT FRANCHISOR LLC
Statement of Income

Year Ended December 31, 2019

Revenues (note 2)	
Franchise income	\$ 280,000
Design fee income	20,619
Decoration materials income	261,174
Sales discount	<u>(210,389)</u>
	351,404
Cost of sales	<u>226,186</u>
Gross profit	125,218
Operating expenses (note 2)	<u>103,619</u>
Income from operations	21,599
Income tax provision (note 8)	<u>(1,700)</u>
Net income	<u><u>\$ 19,899</u></u>

See accompanying independent auditor's report and notes to financial statements

MINISO DEPOT FRANCHISOR LLC
Statement of Members' Equity

	Members' contributions	Accumulated earnings	Total members' equity
Balance - January 3, 2019	\$ 450,000	\$ 209,015	\$ 659,015
Net income	-	19,899	19,899
Balance - December 31, 2019	<u>\$ 450,000</u>	<u>\$ 228,914</u>	<u>\$ 678,914</u>

See accompanying independent auditor's report and notes to financial statements

MINISO DEPOT FRANCHISOR LLC

Statement of Cash Flows

Year Ended December 31, 2019

Cash flows from operating activities:

Net income	\$ 19,899
Adjustments to reconcile net income to net cash from operating activities:	
Amortization	10,000
Changes in assets and liabilities:	
Accounts payable	(86,631)
Other payables	(38,000)
Accrued expenses	(9,500)
Licensing fee payable	<u>(100,000)</u>
Total adjustments	(224,131)
Net cash provided/(used) by operating activities	<u>(204,232)</u>

Cash flows from investing activities

Purchase of furniture and equipment	<u>-</u>
Net cash provided/(used) by investing activities	-

Cash flows from financing activities

Decrease in advance to related parties	147,000
Increase in advance from related parties	<u>151,764</u>
Net cash provide/(used) by financing activities	<u>298,764</u>

Net increase/(decrease) in cash	94,532
Cash, beginning	<u>44,044</u>
Cash, end	<u><u>\$ 138,576</u></u>

Supplemental disclosure of cash flow information:

Cash paid for:	
Income tax	\$ 1,700

See accompanying independent auditor's report and notes to financial statements

MINISO DEPOT FRANCHISOR LLC

Notes to Financial Statements

Note 1. BUSINESS AND BASIS OF PRESENTATION

Description of Business

Miniso Depot Franchisor LLC (hereinafter referred to as the "Company") was established in the state of California on February 15, 2018. The Company is offering a franchise of MINISO, a designer brand of intelligent consumer products. The Company sublicenses from its affiliate, Guangdong Saiman Investment Co., Ltd., a Chinese company, of the MINISO brand, its franchise and operating system. The Company is also in the process of registering other trademarks and logos under the MINISO brand with the U.S. Patent and Trademark office.

The company is subject to risks common to a new and startup companies including but not limited to, trademarks registration denial, competition in the similar market space, dependence on key personnel, commercialization of existing and new products, protection of proprietary information, and compliance with federal and local jurisdiction regulatory requirements.

Basis of Accounting

The accounting and reporting policies of the Company are in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which is based on the accrual method of accounting.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Company is presented to assist in the understanding of the Company's financial statements. The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparations of these financial statements.

Use of Estimates and Assumptions

The management uses estimates and assumptions in preparing financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts and disclosure of contingent of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Estimates are used for, but not limited to, the assumptions and estimates used by management in conjunction with the following: (1) measurement of valuation allowances relating to trade receivables and deferred tax assets; and (2) the selection of the useful life of property and equipment, fair values, revenue recognition, taxes, budgeted costs and other similar charges. These estimates are periodically reviewed and, accordingly, adjustments made to these estimates are taken into income in the year in which it is determined. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could vary from these estimates.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, accounts receivables and accounts payables arising from its normal business activities. The Company extends credit to its customers and note holder on an unsecured basis, performs ongoing credit evaluations of its customers and note holder, and maintains an allowance for potential credit losses as deemed necessary.

MINISO DEPOT FRANCHISOR LLC

Notes to Financial Statements

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Liquidity Risk

Liquidity risk is dependent on receipt of funds from sales and continued access to sufficient credit facilities to be able to pay the Company's liabilities as they become due.

Cash

For the purposes of reporting cash flows, the Company considers all highly-liquid investments with original or remaining maturities to the Company of three months (ninety days) or less to be cash equivalents. Cash and cash equivalents are maintained with secured financial institutions. If, due to current economic conditions, one or more of the financial institutions with which the Company maintains deposit fails, the Company's cash and cash equivalents may be at risk. Deposits with these financial institutions may exceed the amount of insurance provided on such deposits; however, these deposits typically may be redeemed upon demand and therefore, bear minimal risk. At December 31, 2019, the Company periodically throughout the year has maintained balances on various operating accounts under federally insured limits.

Accounts Receivables

Accounts receivables arise in the normal course of business through franchise sales and royalties earned. Management evaluates individual customer's receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off if deemed uncollectible and recoveries of accounts receivable written off are recorded as income when received. The Company did not have any allowance or doubtful accounts as of December 31, 2019 and did not charge-off an accounts receivables during the year ended December 31, 2019.

Property and Equipment

Property and equipment are stated at cost. Depreciation and amortization of equipment and furniture commence when assets are placed in service. Depreciation of equipment and furniture is computed using the straight-line method over the estimated useful lives of the assets. The estimated useful lives of the assets are as follows:

Computer equipment and software	5	years
Office equipment	7	years
Office furniture	7	years

Expenditures for replacements and betterments to property and equipment are capitalized, while maintenance, repairs and minor renewals are charged directly to expense as incurred.

When assets are disposed of, the related cost and accumulated depreciation and amortization thereon are removed from the accounts and any resulting gain or loss is included in operations.

MINISO DEPOT FRANCHISOR LLC

Notes to Financial Statements

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Impairment of Long - Lived Assets

The Company periodically evaluates the net realizable value long-lived assets, including property and equipment. When indicators of impairment are present, the carrying values of assets are evaluated in relation to the operating performance and estimated future undiscounted cash flows of the underlying assets. An impairment in the carrying value of an asset is recognized whenever anticipated future undiscounted cash flows from an asset are estimated to be less than its carrying value. The amount of the impairment recognized is the difference between the carrying value of the asset and its fair value. To date, no impairment has been recorded.

Fair Value Measurements

The FASB ASC 820, "Fair Value Measurements and Disclosures", provides the framework for measuring fair value. The framework prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Investments measured and reported at fair value are classified and disclosed in one of the following three categories:

Level 1 – Quoted market prices (unadjusted) are available in active markets for identical assets or liabilities;

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level 3 – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

As of December 31, 2019, the Company did not have any assets or liabilities requiring measurement at fair value without observable market value that would require a high level of judgment to determine fair value.

Intangible Assets

The Company has adopted ASC 350, "Intangibles", provides that goodwill and other that requires that goodwill and intangible assets with indefinite lives no longer be amortized to earnings but be tested for impairment at least annually. Intangible assets with finite lives are amortized over their estimated useful lives. The useful life of an intangible asset is the period over which it is expected to contribute directly or indirectly to future cash flows. Intangible assets with finite lives are reviewed for impairment if events or changes in circumstances indicate that the carrying value might not be recoverable. The Company has no impairment charge to its intangible assets as of December 31, 2019.

MINISO DEPOT FRANCHISOR LLC

Notes to Financial Statements

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Revenue Recognition

The Company recognizes revenue in accordance with FASB ASC 605, "Revenue Recognition", when persuasive evidence of an arrangement exists, the price is fixed or determinable, collection is reasonably assured and delivery of products has occurred or services have been rendered. Accordingly, revenues are recognized when finished products are delivered to customers and both title and the risks and benefits of ownership are transferred, price is fixed and determinable, collection is reasonably assured and, the amount of future returns can be reasonably estimated. Net sales are derived by deducting sales claims, returns and allowances from sales.

The Company generally executes franchise agreements for each store that establishes the terms of its arrangement with the franchisee. The franchisee agreements typically require the franchisee to pay an initial, non-refundable fee and continuing fees based on upon a percentage of sales. Subject to the Company's approval, a franchisee may generally review the franchise agreement upon its expiration.

Franchise revenue is generated from initial franchise fees, decoration materials, design fees and revenue from sales at franchise-operated stores. Franchise fees, decoration materials, and design fees are recognized as revenue when all material services or conditions have been substantially performed or satisfied and no other material conditions or obligations related to the determination of substantial performance exist.

Advertising Fund Contribution

The Company may establish a national advertising fund contribution to provide regional and national advertising for the benefit of the franchisees. As of December 31, 2019, the Company has no advertising fund set-up in place.

Store Pre-Opening Costs

Costs incurred in connection with start-up and promotion of new store openings are expensed as incurred.

Income Taxes

The Company is a limited liability company with more than one member. In accordance to federal and California tax statute, a multi-member limited liability company is taxed as a flow through entity, therefore, the Company is not subject to federal and California entity level income tax liability. The Company accounts for the California franchise tax and fees based on the applicable California provision.

The Company accounts for income taxes under FASB ASC topic 740, "Income Taxes". ASC topic 740 defines an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns. ASC topic 740 further requires that a tax position must be more likely than not to be sustained before being recognized in the financial statements, as well as the accrual of interest and penalties as applicable on unrecognized tax positions.

Income taxes are accounted for under the asset-and-liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period which includes the enactment date. If it is more likely than not that some portion or all of a deferred tax asset will not be realized, a valuation allowance is recognized.

MINISO DEPOT FRANCHISOR LLC

Notes to Financial Statements

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Income Taxes (Continued)

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax provisions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

Based on its analysis of its position, the Company has concluded that it does not have any uncertain tax positions that meet the recognition or measurement criteria of ASC 740-10. In addition, the Company files U.S. federal and local tax income tax returns. No income tax returns are currently under examination by the government agencies. The statute of limitations of the Company's U.S. federal and state income tax returns remain open from three to four years, respectively. The statute of limitations of the Company's local state income tax returns may remain open for additional year depending upon the jurisdiction.

Net Income (Loss) and Comprehensive Income (Loss)

The Company's net income (loss) and comprehensive income (loss) are identical.

Recent Accounting Pronouncements

In April and May 2016, the FASB issued additional revenue recognition guidance in ASU No. 2016-12, No. 2016-11 and 2016-10 (Topic 606). All three of these standards provide implementation guidance and clarifications of ASU 2014-09, "Revenue from Contracts with Customers." ASU 2016-10 provides additional guidance on identifying performance obligations and licensing, ASU 2016-11 rescinds SEC guidance based on the previous revenue recognition standards and ASU 2016-12 relates to narrow-scope improvements and practical expedients. All of these amendments are effective for annual reporting periods beginning after December 15, 2019, including interim reporting periods therein. The Company is currently evaluating the impact of the adoption of this guidance to the Company's financial statements and related disclosures.

In November 2015, the FASB issued ASU No. 2015-17, "Income Taxes" which requires that deferred tax liabilities and assets be classified as noncurrent in a classified balance sheet. Prior to the issuance of the standard, deferred tax liabilities and assets were required to be separately classified into a current amount and a noncurrent amount in the balance sheet. ASU 2015-17 is effective for interim and annual periods beginning after December 15, 2017, with early adoption permitted. The Company is currently in the process of evaluating the impact of adoption of the ASU on its financial statements, but does not expect the impact to be material.

There are other updates recently issued. The management does not believe that other than disclosed above, the recently issued, but not yet adopted, accounting pronouncements will have a material impact on its financial position or cash flows.

MINISO DEPOT FRANCHISOR LLC
Notes to Financial Statements

Note 3. CASH

For the deposits in the bank of the United States, the Federal Deposit Insurance ("FDIC") insures the bank balance up to \$250,000 for depositor for each account type both bearing and non-bearing interest.

Although the Company maintains its accounts in one bank, and at times, accounts may exceed the federally insured limits. The Company has not experienced any losses in such accounts, and the management believes the Company is not exposed to any significant credit risk on these accounts.

Checking account, non-interest bearing	\$	138,576
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Note 4. INCOME TAXES

The components of the income from continuing operations provision for income taxes by taxing jurisdiction are as follows:

		<u>For the Year Ended December 31, 2019</u>
Federal		
Current	\$	-
Deferred		-
State		
Current		1,700
Deferred		-
Total	<u>\$</u>	<u>1,700</u>

Note 5. RELATED-PARTY TRANSACTIONS

During 2019, the Company incurred transactions with its affiliated companies. The relationship and related parties transactions are as follows:

Relationship with related parties

<u>Name of related parties</u>	<u>Relationship</u>	<u>Country Incorporated</u>
USA Miniso Depot Inc.	Parent Company	United States
Miniso Depot Investment LLC	Sister Company	United States
Miniso Depot CA Inc.	Sister Company	United States

MINISO DEPOT FRANCHISOR LLC
Notes to Financial Statements

Note 5. RELATED-PARTY TRANSACTIONS (Continued)

(1) Advance to related party

The following related party advanced money from the Company. The Advance is non-interest bearing and payable is on demand.

	For the year ended December 31, 2019
Miniso Depot Investment LLC	\$ 870,000

(2) Advance from related party

The following two related parties advanced money to the Company. The Advances are non-interest bearing and payable is on demand.

	For the year ended December 31, 2019
USA Miniso Depot Inc.	\$ 160,000
Miniso Depot CA Inc.	249,662
	\$ 409,662

Note 6. COMMITMENTS

Franchise license agreement

The Company signed a long-term franchise license agreements with its affiliate, USA Miniso Depot, Inc., which grants the Company the usage of Miniso brand, logo as well as license to a distinctive operating system for the Miniso franchise and operating system in the U.S. and its territories for ten years. The Miniso brand, logo and the operating system are sublicensed by USA Miniso Depot, Inc. from its affiliate, Guangdong Saiman Investment Co., Ltd., a corporation organized under the laws of the People's Republic of China.

Contingency

The Company records reserves for legal and other contingencies when information available to the Company indicates that it is probably that a liability has been incurred and the amount of the loss can be reasonably estimated. Predicting the outcomes of claims and litigation and estimating the related costs and exposures involve substantial uncertainties that could cause actual costs to vary materially from estimates. Legal costs incurred in connection with legal and other contingencies are expensed as the costs are incurred.

The Company maybe subject to legal proceedings arising out of the ordinary course of business, the outcome of which, individually and in the aggregate, in the opinion of management, would not have a material adverse affect on the business, financial position, or results of operations, or cash flows.

MINISO DEPOT FRANCHISOR LLC
Notes to Financial Statements

Note 7. SUMMARY OF FRANCHISE ACTIVITY

Changes in the number of franchises for the year ended December 31, 2019 consist of the following:

Units in operation, beginning	2
Units opened	3
Units terminated or closed	<u>-</u>
Units in operation, ending	<u>5</u>
Franchise Units	5
Company owned Units	-

Note 8. SUBSEQUENT EVENTS

On March 12, 2020, the Company issued notice of termination letter to one of its franchisees, Miniso Ontario Mills L.P.. The letter serves the purpose of notifying the franchisee that they have breached the Franchise Agreement Section 16.A.vi clause, at which the franchisee has abandoned the accepted location for its franchise business for a period of five or more consecutive days without the Company's advance written consent. Currently, the termination is still in pending status. As of March 12, 2020, Miniso Ontario Mills L.P. franchisee has outstanding receivable balance of \$16,184.86 due to its sister company, Miniso Depot CA Inc.

The management of the Company has evaluated subsequent events from balance sheet date through April 19, 2020, which is the date of the financial statements were available to be issued. The Company is not aware of any other subsequent events which would require recognition or disclosure in the financial statements.

MINISO DEPOT FRANCHISOR LLC
Detailed Schedules of Loss and Operating Expenses

	Year Ended December 31, 2019	
Revenues		
Franchise income	\$ 280,000	79.7 %
Design fee income	20,619	5.9
Decoration materials income	261,174	74.3
Sales discount	(210,389)	(59.9)
	351,404	100.0
Cost of goods sold		
Inventory, beginning	-	
Purchases	226,186	
Cost of goods available for sale	226,186	
Less: Inventory, end	-	
Cost of goods sold	226,186	64.4
Gross profit	125,218	35.6
Operating expenses		
Professional fees	73,486	20.9
Marketing	15,319	4.4
Amortization	10,000	2.8
Travel	1,860	0.5
License and filing fees	1,355	0.4
Meals and entertainment	591	0.2
Sundry	1,008	0.3
Total operating expenses	103,619	29.5
Income before provision for income taxes	\$ 21,599	6.1 %

See accompanying independent auditor's report and notes to financial statements

MINISO DEPOT FRANCHISOR LLC

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2018

C&L ACCOUNTANCY CORPORATION

1300 VALLEY VISTA DRIVE, SUITE 207
DIAMOND BAR, CALIFORNIA 91765



Tel: (909) 861-8900
Fax: (909) 494-7420
Web: www.cnlcpa.com

REPORT OF INDEPENDENT AUDITORS

To the LLC Members
Miniso Depot Franchisor LLC
Pasadena, California 91101

Report on the Financial Statements

We have audited the accompanying financial statements of Miniso Depot Franchisor LLC, (the "Company", "Management"), which comprise the statement of financial balance sheet as of December 31, 2018, and the related statements of operations, changes in member' capital and statement of cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Our audits of the financial statements included examining, on a test basis, procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Miniso Depot Franchisor, LLC as of December 31, 2018, and the results of its operations and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

C&L Accountancy Corporation

C&L Accountancy Corporation
Diamond Bar, California
March 27, 2018

MINISO DEPOT FRANCHISOR LLC

BALANCE SHEET

As of December 31, 2018

(In U.S. Dollars)

	<u>2018</u>
ASSETS	
Current assets	
Cash	\$ 44,044
Other receivables, affiliates	1,017,000
Total current assets	<u>1,061,044</u>
Other non-current assets	
Intangible assets, net	90,000
Total other non-current assets	<u>90,000</u>
Total Assets	<u><u>\$ 1,151,044</u></u>
LIABILITIES AND MEMBERS' CAPITAL	
Current liabilities	
Accounts payable	\$ 86,631
Accrued expenses	9,500
Other payables	38,000
Other payables, affiliates	257,898
Licensing fees payable	100,000
Total current liabilities	<u>492,029</u>
Members' capital	
Capital	\$ 450,000
Retained deficits	209,015
Total members' capital	<u>659,015</u>
Total Liabilities and Members' Capital	<u><u>\$ 1,151,044</u></u>

See Accompanying Notes to Financial Statements

MINISO DEPOT FRANCHISOR LLC
STATEMENT OF OPERATIONS
For the year ended December 31, 2018
(In U.S. Dollars)

	<u>2018</u>
Revenue	
Franchise fees, net of discounts of \$45,000	\$135,000
Design fees, net of discounts of \$30,712	29,128
Decoration materials income, net of discounts of \$24,358	\$259,882
Less: Cost of sales	<u>93,531</u>
Gross profit	\$166,351
Net revenue	<u>330,479</u>
Operating expenses	
General and administrative	114,039
Total operating expenses	<u>114,039</u>
Income (loss) from operations before tax expense	<u>216,440</u>
Income tax expense (benefits)	<u>1,700</u>
Net income (loss)	<u>\$ 214,740</u>

See Accompanying Notes to Financial Statements

MINISO DEPOT FRANCHISOR LLC
 STATEMENT OF CHANGES IN MEMBERS' CAPITAL

As of December 31, 2018
 (In U.S. Dollars)

	Member's Contributions	Additional Paid-In- Capital	Retained Earnings	Comprehensive Income	Other Comprehensive Income	Total Members' Capital
Balance, March 15, 2018	\$ 450,000	\$ 0	\$ (5,725)	\$ 0	\$ 0	\$ 444,275
Members' contributions	0	0	0	0	0	0
Additional paid in capital	0	0	0	0	0	0
Net income (loss)	0	0	214,740	0	0	214,740
Member's distributins	0	0	0	0	0	0
Balance, December 31, 2018	\$ 450,000	\$ 0	\$ 209,015	\$ 0	\$ 0	\$ 659,015

See Accompanying Notes to Financial Statements

MINISO DEPOT FRANCHISOR LLC
STATEMENT OF CASH FLOWS
For the year ended December 31, 2018
(In U.S. Dollars)

	<u>2018</u>
Cash flows from operating activities:	
Net income (loss)	\$ 214,740
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:	
Change in operating assets and liabilities:	
Amortization expense	10,000
Receivables - Affiliates	(1,017,000)
Accounts payable	86,631
Accrued expenses	3,775
Licensing payable	0
Other payable	38,000
Payables - Affiliates	257,898
Net cash provided by (used in) operating activities	<u>(405,956)</u>
Cash flows from investing activities:	
Purchase of intangible assets rights	<u>0</u>
Net cash used in investing activities	<u>0</u>
Cash flows from financing activities:	
Proceeds from Members' contributions	<u>0</u>
Net cash provided by (used in) financing activities	<u>0</u>
Net increase (decrease) in cash	<u>(405,956)</u>
Cash, beginning of period	<u>450,000</u>
Cash, end of period	<u>\$ 44,044</u>
Supplemental disclosure of cash flow information:	
Income taxes paid	\$800
Interest paid	\$0

See Accompanying Notes to Financial Statements

MINISO DEPOT FRANCHISOR LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018 (In U.S. Dollars)

1. ORGANIZATION AND PRINCIPLE ACTIVITIES

MINISO DEPOT FRANCHISOR LLC was established as a California limited liability company on February 15, 2018. MINISO DEPOT FRANCHISOR LLC (“Miniso”, the “Company”) is a start up company and is in the business of franchises of MINISO, a designer brand of intelligent consumer products. The Company sublicenses from its affiliate, Guangdong Saiman Investment Co., Ltd., a Chinese company, of the MINISO brand, its franchise and operating system. The Company is also in the process of registering other trademarks and logos under the MINISO brand with the U.S. Patent and Trademark office.

The Company is subject to risks common to a new and startup companies including but not limited to, trademarks registration denial, competition in the similar market space, dependence on key personnel, commercialization of existing and new products, protection of proprietary information, and compliance with federal and local jurisdiction regulatory requirements.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Company are prepared in accordance with the accounting principles generally accepted in the United States of America (“U.S. GAAP”). The accompanying audited financial statements should be read in conjunction with the accounting policies and footnote disclosures thereto included in the Company’s audited financial statements as of December 31, 2018, and for the year then ended.

Use of Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions for the reporting period and as of the financial statements date. Actual results may differ from these estimates, and may affect the amounts reported in these financial statements and accompanying notes.

Cash and Cash Equivalents

The Company considers all highly liquid financial instruments with a maturity of three months or less at the date of purchase to be cash equivalents. Cash equivalents consist of short-term deposits and money market accounts that are stated at cost, which approximates its fair market value. The Company maintains all its cash accounts in domestic commercial banks. Accounts at domestic commercial banks are insured by the Federal Deposit Insurance Corporation (“FDIC”). At various times throughout the period, the Company had cash balances in excess of the FDIC insured limited of \$250,000.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of cash and cash equivalent. Substantially all of the Company's cash and cash equivalent is maintained with high quality financial institutions. The Company has not experienced any losses in such accounts.

Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability in the principal in an orderly transaction between market participants at the measurement date. The Company uses a fair value hierarchy which maximizes the use of observable inputs and minimizes that use of unobservable inputs when measuring fair value. There are three levels of inputs used to measure fair value with Level 1 having highest priority and Level 3 having the lowest:

Level 1 – Quoted prices in active markets for identical assets or liabilities;

Level 2 – Observable market based inputs or unobservable inputs that are corroborated by market data;

Level 3 – Unobservable inputs that are not corroborated by market data.

If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. The Company has no financial instrument as of December 31, 2018.

Impairment of Long-Lived Assets

The Company evaluates long-lived assets, which include property and equipment, identifiable intangible assets and long term investments for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be recoverable. An impairment loss would be recognized when estimated undiscounted future cash flows less than the carrying value of such asset. Impairment, if any, is assessed using discounted cash flows. The Company has no impairment charge to its long-lived assets as of December 31, 2018.

Intangible Assets

The Company records intangible assets on the basis of their fair value at the date of the contribution or acquisition and accounted for as indefinite-lived intangible assets. These intangible assets are either amortized over the estimated benefits life of the assets or maintained on the Company's statement of financial position until becomes impaired. If any part or complete intangibles is impaired or is abandoned, the carrying value of the related intangible assets is written down to its fair value and impairment charge is taken in the period in which the impairment occurs. Intangible assets will be tested for impairment on an annual basis or earlier if impairment indicators are present. Intangible assets with a finite life are recorded at fair value and amortized over the greater of economic consumption or on a straight-line basis over their estimated useful life. The Company has no impairment charge to its intangible assets as of December 31, 2018.

Revenue Recognition

The Company recognizes revenue from sales to or service performed to all customers, including distributors, when persuasive evidence of an arrangement exists, delivery has occurred, the price is fixed or determinable and collectability is reasonably assured. Delivery is determined by the Company's shipping terms. Service revenue is recognized when services is performed and fully earned. Revenue from the sale of products is recognized upon shipment as that is when title has passed, net of allowance for estimated sales discounts. These estimated allowances are determined and adjusted as needed based upon historical experience and other related factors. Sales made to distributors have similar terms as sales made to other customers. No customers, including distributors, have the right to return or exchange products or are provided with price protection. The Company provides certain discounts and allowances to its franchisees for the initial franchise fees, merchandise deposit fees and other related initial startup costs.

Research and Development

Research and development is expensed as incurred. Upfront and milestone payments due to third parties in connection with research and development collaborations prior to regulatory approval are expensed as incurred. Payments due to third parties upon or subsequent to regulatory approval are capitalized and amortized over the shorter of the remaining license or product patent life.

Income Taxes

The Company is a limited liability company with more than one member. Pursuant to the federal and California tax statute, a multi-member limited liability company is taxed as a flow through entity, therefore, the Company is not subject to federal and California entity level income tax liability. California does impose a franchise tax and franchise fees based on gross receipt. The Company accounts for the California franchise tax and fees based on the applicable California provisions.

Comprehensive Income (Loss)

Comprehensive income (loss) consists of two components, net income (loss) from operations and other comprehensive income (loss). Other comprehensive income (loss) refers to revenue, expenses, gains and losses that are recorded as an element of stockholders' equity but are excluded from net income (loss) from operations. Total accumulated other comprehensive income (loss) is presented as a separate component of stockholders' equity in the accompanying balance sheet. There were no other comprehensive income (loss) recorded for the year ended December 31, 2018.

Recent Accounting Pronouncements

In August 2017, the Financial Accounting Standard Board ("FASB") issued ASU 2017-12, *Derivatives and Hedging (Topic 815) – Targeted Improvements to Accounting for Hedging Activities*, to simplify certain aspects of hedge accounting for both non-financial and financial risks and better align the recognition and measurement of hedge results with an entity's risk management activities. ASU 2017-12 also amends certain presentation and disclosure requirements for hedging activities and changes how an entity assesses hedge effectiveness. ASU 2017-12 is effective for fiscal years and interim periods within those years beginning after December 15, 2018, and early adoption is permitted. The Company does not currently expect ASU 2017-12 to have any significant impact as the Company does not currently have any derivatives and hedging activities.

In January 2017, the FASB issued ASU 2017-01, *"Business Combinations (Topic 805): Clarifying the Definition of a Business."* The amendments in this update provide guidance to assist entities with evaluating when a group of transferred assets and activities (collective referred to as a "set") is a business. This new guidance provides for a "screen", which requires a determination that when substantially all of the fair value of the gross assets acquired (or disposed of) is concentrated in a single identifiable asset or a group of similar identifiable assets, the set is not a business. This guidance is effective for public entities for interim and annual periods beginning after December 15, 2017. The Company expects to adopt this new standard on future business combinations consummated after December 31, 2017.

In October 2016, the FASB issued ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory*, which requires entities to recognize income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. As a result, a reporting entity would recognize the tax expense from the sale of assets in the seller's tax jurisdiction when the transfer occurs, even though the pre-tax effects of the transaction are eliminated in the consolidated financial statements. Any deferred tax asset that arises in the buyer's jurisdiction would also be recognized at the time of the transfer. The ASU is effective for annual periods beginning after December 15, 2017 and interim periods within those fiscal years. The ASU is applied on a modified retrospective basis generally through a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption. The adoption of this ASU beginning on January 1, 2018 does not have any impact on the Company's consolidated financial statements since the Company has not had any intra-entity transfers within the scope of this guidance.

In June 2016, the FASB issued ASU No. 2016-13, *"Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments ("ASU 2016-13")*, which amends the current accounting guidance and requires the use of the new forward-looking "expected loss" model, rather than the "incurred loss" model, which requires all expected losses to be determined based on historical experience, current conditions and reasonable and supportable forecasts. This guidance amends the accounting for credit losses for most financial assets and certain other instruments including trade and other receivables, held-to-maturity debt securities, loans and other instruments. ASU 2016-13 is effective for public entities for annual periods beginning after December 15, 2019, and interim periods within those annual periods. Early adoption is permitted for annual periods beginning after December 15, 2018, and interim periods therein. The Company is currently assessing the effect of this guidance on the Company's consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, to increase transparency and comparability among organizations by recognizing a right-of-use asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either operating or financing, with such classification affecting the pattern of expense recognition in the income statement. ASU 2016-02 is effective for fiscal years and interim periods within those years beginning after December 15, 2018, and early adoption is permitted. Since the Company is a private entity preparing for a Form S-1 filing as an emerging growth company (EGC) under the JOBS Act, the Company has elected to utilize the IPO relief provided to EGCs, that would allow for the adoption date on the timeline afforded a private company which will be on January 1, 2019 for the Company. The Company is currently evaluating the impact ASU 2016-02 will have on its consolidated financial statements and associated disclosures.

In January 2016, the FASB issued ASU 2016-01, *Financial Instruments – Overall (Subtopic 825-10) – Recognition and Measurement of Financial Assets and Financial Liabilities*. ASU 2016-01 changes how entities measure certain equity investments and present changes in the fair value of financial liabilities measured under the fair value option that are attributable to their own credit. The guidance also changes certain disclosure requirements and other aspects of current U.S. GAAP. ASU 2016-01 is effective for fiscal years and interim periods within those years beginning after December 15, 2017, and early adoption is permitted for certain provisions of the guidance. The adoption is not expected to have any impact on the Company's consolidated financial statements since the Company does not currently hold any equity investments.

3. COMMITMENTS

The Company signed a long-term franchise license agreement with its affiliate, USA Miniso Depot, Inc., which grants the Company the usage of the Miniso brand, logo as well as license to a distinctive operating system for the Miniso franchise and operating system in the U.S. and its territories for ten years. The Miniso brand, logo and the operating system are sublicensed by USA Miniso Depot, Inc. from its affiliate, Guangdong Saiman Investment Co., Ltd., a corporation organized under the laws of the People's Republic of China.

4. RELATED PARTIES TRANSACTIONS

The Company transacted with various common ownership controlled or shared ownership affiliates during the year. Certain payments from Franchisees were made through these affiliates. The Company also purchased various materials from these affiliates throughout the year. Materials purchased from affiliates for the year amounted to \$93,531. Outstanding receivables and payables with affiliates as of December 31, 2018 amounted to \$1,017,000 and \$257,898, respectively.

5. INCOME TAX EXPENSE

The Company is a limited liability company with two or more member, by default, is taxed as a pass-through entity. The Company is not subject to entity level income tax and profits and losses are allocated to its members based on their respectively profit sharing percentage.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation (the "Tax Act"), which significantly revises the ongoing U.S. income tax law by lowering the U.S. federal income tax rates, implementing a territorial tax system, imposing one-time tax on foreign unremitted earnings and setting limitations on deductibility of certain expenses and costs (e.g., interest expense), among other things which may impact the taxable income at the entity level.

Due to the complexities involved in accounting for the recently enacted Tax Act, the U.S. Accounting Board requires that the Company include in its financial statements the reasonable estimate of the impact of the Tax Act on earnings to the extent such reasonable estimate has been determined. Pursuant to the guidance, the Company is allowed a measurement period of up to one year after the enactment date of the Tax Act to finalize the recording of the related tax impacts, if any. The company will continue to evaluate and calculate the impact of the U.S. Tax Act and will record any resulting tax adjustments during 2018. Accordingly, the company reasonable estimates and recorded \$0 tax impact in its earnings for the year ended December 31, 2018.

6. SUBSEQUENT EVENT

The Company evaluated its December 31, 2018, financial statements for subsequent events through March 27, 2019, the date the financial statements were available to be issued and nothing came to the attention of the Company to be disclosed.

LIST OF STATE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS

ATTACHMENT F

LIST OF STATE ADMINISTRATORS

We intend to register this disclosure document as a franchise in some of or all the following states, in accordance with applicable state law. The following are the state administrators responsible for the review, registration and oversight of franchises in these states.

California

Commissioner of the Department of Financial Protection and Innovation
2101 Arena Blvd.
Sacramento, CA 95834
(866) 275-2677

Hawaii

Hawaii Commissioner of Securities,
Dept. of Commerce and Consumer
Affairs, Business Registration Div.,
Securities Compliance Branch
335 Merchant St., Rm. 203
Honolulu, HI 96813
(808) 586-2722

Illinois

Illinois Attorney General
500 S. 2nd St.
Springfield, IL 62701
(217) 782-4465

Indiana

Indiana Securities Division
Franchise Section
302 W. Washington St., Rm. E111
Indianapolis, IN 46204-2738
(317) 232-6681

Maryland

Office of the Attorney General
Division of Securities
200 Saint Paul Pl.
Baltimore, MD 21202-2020
(410) 576-6360

Michigan

Michigan Attorney General
Consumer Protection Division
PO Box 30213
Lansing, MI 48909-7713
(517) 373-7117

Minnesota

Minnesota Commissioner of Commerce
85 7th Pl. E., Ste. 280
Saint Paul, MN 55101
(651) 539-1600

New York

NYS Department of Law
Investor Protection Bureau
28 Liberty St., 21st Flr.
New York, NY 10005-1495
(212) 416-8236

North Dakota

North Dakota Securities Commissioner
600 E. Boulevard Ave., 5th. Flr.
Bismarck, ND 58505
(701) 328-4712

Rhode Island

Rhode Island Department of Business Regulations
Division of Securities
1511 Pontiac Ave., Bldg. 69-1
Cranston, RI 02920
(401) 462-9527

South Dakota

Director of the Division of Insurance
Securities Regulation
124 S. Euclid Ave., Ste. 104
Pierre, SD 57501
(605) 773-3563

Virginia

Virginia State Corporation Commission
Div. of Securities & Retail Franchising
1300 E. Main St., 9th Floor
Richmond, VA 23219
(804) 371-9051

Washington

Dept. of Financial Institutions
Securities Division
150 Israel Rd. SW
Tumwater, WA 98501
(360) 902-8760

Wisconsin

Administrator, Wisconsin Division of Securities
201 W. Washington Ave., Suite 300
Madison, WI 53703
(608) 266-8557

AGENTS FOR SERVICE OF PROCESS

AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a franchise in some of or all the following states, in accordance with applicable state law. If we register the franchise (or otherwise comply with the franchise investment laws) in any of these states, we will designate the following state offices or officials as our agents for service of process in those states.

California

Commissioner of the Department of Financial Protection and Innovation
2101 Arena Blvd.
Sacramento, CA 95834
(866) 275-2677

Hawaii

Hawaii Commissioner of Securities,
Dept. of Commerce and Consumer Affairs,
Business Registration Div.
335 Merchant St., Rm. 205
Honolulu, HI 96813
(808) 586-2744

Illinois

Illinois Attorney General
500 S. 2nd St.
Springfield, IL 62701
(217) 782-4465

Indiana

Indiana Secretary of State
200 W. Washington St., Rm. 201
Indianapolis, IN 46204
(317) 232-6681

New York

New York Secretary of State
One Commerce Plaza
99 Washington Ave., 6th Flr.
Albany, NY 12231-0001
(518) 473-2492

Maryland

Maryland Securities Commissioner
200 Saint Paul Pl.
Baltimore, MD 21202
(410) 576-6360

Michigan

Michigan Corporation & Securities Bureau
Department of Commerce
6546 Mercantile Way
Lansing, MI 48911
(517) 373-7117

Minnesota

Minnesota Commissioner of Commerce
85 7th Pl. E., Ste. 280
Saint Paul, MN 55101
(651) 539-1600

North Dakota

North Dakota Securities Commissioner
600 E. Boulevard Ave., 5th. Flr.
Bismarck, ND 58505
(701) 328-4712

Rhode Island

Director, Rhode Island Department of
Business Regulations
1511 Pontiac Ave., Bldg. 69-1
Cranston, RI 02920
(401) 462-9527

South Dakota

Director of the Division of Insurance
Securities Regulation
124 S. Euclid Ave., Ste. 104
Pierre, SD 57501
(605) 773-3563

Virginia

Clerk, Virginia State Corporation Commission
1300 E. Main St., 1st Fl.
Richmond, VA 23219
(804) 371-9733

Washington

Dept. of Financial Institutions
Securities Division – 3rd Fl.
150 Israel Rd. SW
Tumwater, WA 98501
(360) 902-8760

Wisconsin

Administrator, Wisconsin Division of Securities
201 W. Washington Ave.
Madison, WI 53703
(608) 261-9555

STATE EFFECTIVE DATES

EXHIBIT G

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	TBD
Hawaii	TBD
Illinois	TBD
Indiana	TBD
Maryland	TBD
Michigan	TBD
Minnesota	TBD
New York	TBD
North Dakota	TBD
Rhode Island	TBD
South Dakota	TBD
Virginia	TBD
Washington	TBD
Wisconsin	TBD

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPTS

EXHIBIT H

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Miniso Depot Franchisor LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Miniso Depot Franchisor LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (as listed in Attachment A to this disclosure document). We authorize the agents listed in Attachment B to receive service of process for us.

The name, principal business address, and telephone number of each franchise seller offering the franchise are as follows:

Name	Principal Business Address	Telephone Number
Shines Shen	200 S. Los Robles Ave, Ste 200; Pasadena, CA 91101	(626) 463-4251
Cora Wong	200 S. Los Robles Ave, Ste 200; Pasadena, CA 91101	(626) 463-4251

This franchise has been offered for sale by Miniso Depot Franchisor LLC, 200 S. Los Robles Ave, Suite 200 Pasadena, CA 91101, with an FTC issuance date of April 20, 2021.

I received a Miniso Depot Franchisor LLC disclosure document with an FTC issuance date of April 20, 2021. (See the state effective date summary page for state effective dates.) The disclosure document included the following Exhibits and Attachments:

Exhibits

- Exhibit A Franchise Agreement
- Exhibit A-1 State Addenda to Franchise Agreement
- Exhibit A-2 Appendix of Negotiated Sales
- Exhibit B Consignment Agreement
- Exhibit C Supply Agreement
- Exhibit D Operating Standards Manual Table of Contents
- Exhibit E Financial Statements
- Exhibit F List of State Administrators and Agents for Service of Process
- Exhibit G State Effective Dates
- Exhibit H Receipts

Date: _____ Your Signature: _____

Your Name (please print): _____

You should return one copy of the signed receipt either by signing, dating, and mailing it to Miniso Depot Franchisor LLC at 200 S. Los Robles Ave, Suite 200, Pasadena, CA 91101, or by emailing a copy of the signed receipt to Miniso Depot Franchisor LLC at franchise@minisousa.com. You may keep the second copy for your records.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Miniso Depot Franchisor LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Miniso Depot Franchisor LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (as listed in Attachment A to this disclosure document). We authorize the agents listed in Attachment B to receive service of process for us.

The name, principal business address, and telephone number of each franchise seller offering the franchise are as follows:

Name	Principal Business Address	Telephone Number
Shines Shen	200 S. Los Robles Ave, Ste 200; Pasadena, CA 91101	(626) 463-4251
Cora Wong	200 S. Los Robles Ave, Ste 200; Pasadena, CA 91101	(626) 463-4251

This franchise has been offered for sale by Miniso Depot Franchisor LLC, 200 S. Los Robles Ave, Suite 200 Pasadena, CA 91101, with an FTC issuance date of April 20, 2021.

I received a Miniso Depot Franchisor LLC disclosure document with an FTC issuance date of April 20, 2021. (See the state effective date summary page for state effective dates.) The disclosure document included the following Exhibits and Attachments:

Exhibits

Exhibit A	Franchise Agreement
Exhibit A-1	State Addenda to Franchise Agreement
Exhibit A-2	Appendix of Negotiated Sales
Exhibit B	Consignment Agreement
Exhibit C	Supply Agreement
Exhibit D	Operating Standards Manual Table of Contents
Exhibit E	Financial Statements
Exhibit F	List of State Administrators and Agents for Service of Process
Exhibit G	State Effective Dates
Exhibit H	Receipts

Date: _____ Your Signature: _____

Your Name (please print): _____

You should return one copy of the signed receipt either by signing, dating, and mailing it to Miniso Depot Franchisor LLC at 200 S. Los Robles Ave, Suite 200, Pasadena, CA 91101, or by emailing a copy of the signed receipt to Miniso Depot Franchisor LLC at franchise@minisousa.com. You may keep the second copy for your records.