

GENERAL TERMS & CONDITIONS

FOR THE SUPPLY OF EQUIPMENT AND MACHINES

1. APPLICATION

These terms apply to any offer, quotation or agreement to supply machines and/or equipment, including installation, by a member of SANOVO TECHNOLOGY GROUP. In the following terms, "SANOVO" refers to the particular member of SANOVO TECHNOLOGY GROUP, which acts as a contracting party according to any express agreement between the parties, e.g. an order confirmation/acknowledgment or similar (hereinafter referred to as "the Agreement").

Any general conditions of the other party (hereinafter referred to as "the Buyer"), shall not be applicable.

The terms do not apply in the following situations, which are governed by separate terms:

- a) General terms for supply of spare parts
- b) General terms for repair work

2. SCOPE OF SUPPLY

2.1. The Product

SANOVO is obligated to deliver machines and other equipment (hereinafter referred to as "the Product") in accordance with the Agreement.

2.2. Change of scope

If the Buyer requests changes to the agreed scope of supply e.g. change in layout, configuration or the like, such changes will not be effective until an amendment with a correction of the delivery time and/or the price has been agreed in writing. SANOVO will evaluate and inform the Buyer of the consequences of the request. The delivery time is suspended until the Agreement has been amended or the request is withdrawn.

2.3. Binding effect of product documentation

All information and data contained in general product documentation and price lists, whether in electronic or any other form, are binding only to the extent that they are by reference expressly guaranteed in the Agreement. This includes any indications of output in the tender material, which is, therefore, to be considered only as an estimated output and therefore only binding to the extent that it is guaranteed in the Agreement.

2.4. Consulting and advising in addition to contractual services

SANOVO cannot be held liable for damage or other losses suffered by the Buyer as a result of consulting or advising beyond the contractual services. This includes any advice or design material concerning utilities such as water supply, airing, electricals, etc. which are not a direct part of SANOVO's obligations according to the Agreement.

3. PAYMENT

3.1. Prices

Prices are exclusive of VAT (Value Added Tax) or similar taxes duties and levies in connection with the performance of the Agreement.

3.2. Time for payment

Unless otherwise agreed, the purchase price is payable by 50% at the formation of the Agreement and 50% when SANOVO notifies the Buyer that the Product, or the essential part of it, is ready for shipment.

Payment for the erection shall be invoiced against monthly invoices concerning the installation carried out when payment terms have not been separately agreed in writing.

In all circumstances, the total agreed price, incl. machines and any supervision or installation is due for payment no later than 3 months after the dispatch of the machines from SANOVO.

3.3. Payment for supervision

If the Agreement includes "Supervision", cf. Clause 6, payment for supervision shall, unless agreed otherwise, be invoiced against monthly invoices concerning the supervision carried out.

3.4. Effective payment

Whatever the means of payment used; payment shall not be deemed to have been effected before SANOVO's account has been irrevocably credited for the amount due.

3.5. Interest

If the Buyer fails to pay by the stipulated date, SANOVO shall be entitled to interest from the day on which payment was due and to compensation for recovery costs. The rate of interest shall be as agreed between the parties or otherwise 8 percentage points above the rate of the main refinancing facility of the European Central Bank. The compensation for recovery costs shall be 1 percent of the amount for which interest for late payment becomes due.

3.6. Suspension and repossession

In case of late payment, SANOVO may, after having notified the Buyer in writing, suspend performance of the Agreement until payment is received. SANOVO is further entitled to repossess the Product or any parts thereof, including but not limited to computer hardware and closing of access to computer software.

3.7. Avoidance

If payment is delayed by more than 3 months SANOVO shall be entitled to terminate the Agreement by written notice to the Buyer and, in addition to the interest and compensation for recovery costs, to claim compensation for the loss he incurs. Such compensation shall not exceed the agreed purchase price.

4. RETENTION OF TITLE

The Product shall remain the property of SANOVO until paid for in full to the extent that such retention of title is valid under the relevant law. The Buyer shall at the request of SANOVO assist in taking any measures necessary to protect SANOVO's title to the Product. The

retention of title shall not affect the passing of risk under Clause 5.1.

5. DELIVERY

5.1. Passing of risk

Any agreed trade term shall be construed in accordance with the INCOTERMS® in force at the formation of the Agreement.

If no trade term has been agreed, delivery is Ex Works (EXW). If delivery is Ex Works (EXW) SANOVO and SANOVO, at the request of the Buyer, undertakes to ship the Product, the risk will pass no later than when the Product is handed over to the first carrier.

5.2. Partial delivery

Unless otherwise agreed, partial delivery is permitted.

5.3. Failure to take delivery

If the Buyer fails to accept delivery at the time for delivery, he shall nevertheless pay any part of the purchase price which has become due at the time for delivery, as if delivery had taken place. SANOVO shall arrange for storage of the Product at the risk and expense of the Buyer.

SANOVO may by notice in writing require the Buyer to accept the delivery within a final reasonable period. If the Buyer fails to accept the delivery within such period, SANOVO may terminate the Parties' agreement in whole or in part. SANOVO shall then be entitled to compensation for the loss suffered by reason of the Buyer's default, including any consequential and indirect loss.

5.4. Inspection and notification

The Buyer must inspect without undue delay after receipt of the Product and notify SANOVO of any defects. The period for inspection and notification can under no circumstances exceed 4 weeks, unless the defect in question could not be detected by a reasonable inspection. The notice must describe the defect.

If the defect may cause damage, the Buyer shall immediately inform SANOVO. The Buyer shall bear the risk of damage to the Product resulting from his failure so to notify. The Buyer shall take reasonable measures to minimize damage and shall in that respect comply with instructions of SANOVO.

If the parties have agreed that SANOVO is liable for the delivery of the Product, the Buyer must notify SANOVO in writing about any freight damage upon receipt or within 48 hours. If the Buyer fails to do so, the Buyer will take any associated costs.

6. SUPERVISION

6.1. Equipment installation is supervised by SANOVO

If the Agreement includes supervision of installation, this section 6 applies. SANOVO will provide the Buyer with one or more employees to supervise the Buyer's installation of the Product. The installation is performed by the Buyer who must provide the necessary manpower and equipment on his own account.

6.2. Costs

Unless otherwise agreed by the Parties, an agreed price for the supervision of installation only includes transportation costs and a specified number of working days. Any other costs related to the supervision, including all local expenses, are not included and must be paid separately.

6.3. Working conditions

The Buyer has a duty to secure proper and suited working conditions for SANOVO's employees. To the extent applicable, the provisions of section 7.2 apply if only supervision is included.

6.4. Work not covered by the contract

The Buyer may not use or direct SANOVO's staff to perform any work not covered by the Agreement without preceding written consent from SANOVO.

6.5. Local laws and regulations

Unless otherwise expressly agreed, the Buyer takes the responsibility and liability of ensuring compliance with relevant local laws and regulations.

6.6. Delay/Suspension of supervision

If the supervision is suspended due to a cause for which SANOVO is not responsible, SANOVO is entitled to:

- a) compensation for any extra work or waiting time resulting from the delay, as well as any other documented costs, and
- b) recall staff at the expense of the Buyer.

If the supervision is suspended and not completed within 24 months of delivery of the Product, SANOVO's obligation to provide supervision terminates. SANOVO's right to payment in full remains. SANOVO may thereafter quote a new offer on supervision without extending its warranties or providing new warranties on the Product.

6.7. Time of delivery

Any time for delivery or installation mentioned in the Agreement shall be observed insofar as possible. The mere exceeding of the delivery term, however, shall only cause SANOVO to be in default if the delay is substantial under the circumstances.

7. INSTALLATION

7.1. Preparatory work

The Buyer shall provide in good time all installations and ensure that the conditions necessary for the installation and correct operation of the Product are fulfilled. The preparatory work shall be carried out by the Buyer in accordance with the drawings and information provided by SANOVO. The work shall be completed in good time. In any case, the Buyer shall ensure that the foundations are structurally sound. If the Buyer is responsible for transporting the Product to the site, the Buyer shall ensure that the Product is on the site in good time.

The Buyer shall ensure that SANOVO's personnel are able to start work in accordance with the agreed time schedule and to work during normal working hours. Provided that the Buyer has been given notice in reasonable time, work may be performed outside normal working hours to the extent deemed necessary by SANOVO.

7.2. Working conditions

The Buyer has a duty to secure proper and suited working conditions for SANOVO's employees, including but not limited to;

- a) a safe, clean and hygienic workspace;

- b) informing SANОВО in writing of all relevant safety regulations in force at the site. The erection shall not be carried out in unhealthy or dangerous surroundings. All the necessary safety and precautionary measures shall have been taken before erection is started and shall be maintained;
- c) SANОВО's personnel are able to obtain board and lodging in single rooms of a good international standard in the vicinity of the site with access to internationally acceptable hygiene facilities and medical services;
- d) availability of all necessary cranes, lifting equipment and equipment for transport on the site, auxiliary tools, machinery, materials, supplies, sufficient internet access, and relevant utilities connections;
- e) availability of necessary storage facilities, providing protection against theft and deterioration of the Product, the tools and equipment required for erection, and the personal effects of the SANОВО's personnel;
- f) suitable access routes to the site for the required transport of the Product and SANОВО's equipment;
- g) reasonable insurance coverage.

If the requirements are not met or maintained SANОВО may suspend its performance on the expense and risk of the Buyer until the Buyer meets the requirements.

If workers are provided by the Buyer, the workers must have the proper skill and training for the assigned work. Any provision of workers will be at the Buyer's expense and risk.

Official advisory or warnings from any Ministry of Foreign Affairs of the countries where the equipment was manufactured advising against travel and/or accommodation in the area of the erection site constitutes Force Majeure. In such instances, SANОВО is entitled to suspend its performance until the advisory has been withdrawn.

7.3. *Costs included in the price*

Unless otherwise agreed by the Parties, an agreed price of installation only includes transportation expenses and a specified number of working days. Any other costs, including all local expenses, are not included and must be paid separately.

7.4. *Work not covered by the Agreement*

The Buyer may not use or direct SANОВО's staff to perform any work not covered by the Agreement without preceding written consent from SANОВО.

7.5. *Local laws and regulations*

Unless otherwise expressly agreed, the Buyer takes the responsibility and liability of ensuring compliance with relevant local laws and regulations.

7.6. *Delay/Suspension of erection*

If the installation is suspended due to a cause for which SANОВО is not responsible, SANОВО is entitled to:

- a) compensation for any extra work or waiting time resulting from the delay, as well as any other documented costs, and

- b) recall staff at the expense of the Buyer.

If the supervision is suspended and not completed within 24 months of delivery of the Product, SANОВО's obligation to provide supervision terminates. SANОВО's right to payment in full remains. SANОВО may thereafter quote a new offer on supervision without extending its warranties or providing new warranties on the Product.

8. TAKING-OVER TESTS

8.1. *Acceptance test*

If the Agreement provides for an acceptance test, such a test shall, unless otherwise agreed, be carried out at the place of the manufacturer. SANОВО shall notify the Buyer in writing of the acceptance tests in sufficient time to permit the Buyer to be represented at the tests. If the Buyer is not represented, the test report shall be sent to the Buyer and shall be accepted as accurate.

8.2. *Deficiencies*

If the acceptance test shows the Product not to be in accordance with the Agreement, SANОВО will remedy any deficiencies in order to ensure that the Product complies with the Agreement. New tests shall then be carried out at the Buyer's request unless the deficiency was insignificant.

8.3. *Costs*

SANOVO shall bear all costs for acceptance tests carried out at the place of manufacture. The Buyer shall bear the traveling and living expenses for his representatives in connection with such tests.

8.4. *Notice*

When installation has been completed, taking-over tests shall, unless otherwise agreed, be carried out to determine whether the Product is conforming to the Agreement. SANОВО shall notify the Buyer of the completion date as well as specify the time for carrying out the taking-over tests.

8.5. *Preparatory work*

The Buyer shall free of charge provide any power, lubricants, water, fuel, raw materials and other materials required for the taking-over tests and for final adjustments in preparing for these tests. The Buyer shall also free of charge install any equipment and provide any labor or assistance necessary for carrying out the taking-over tests.

If the Buyer fails to fulfill his obligations under this Clause or otherwise prevents the taking-over tests from being carried out, the tests shall be regarded as having been satisfactorily completed at the planned date for the taking-over tests.

8.6. *Test-report*

SANOVO shall prepare a test-report after the taking-over tests. This report shall be sent to the Buyer. If the Buyer has not been represented at the taking-over tests, the test report shall be accepted as accurate.

If the taking-over tests show the Product not to be in accordance with the Agreement, SANОВО shall without delay remedy the defects.

8.7. Commissioning of equipment

If the Buyer puts the equipment into operation, hereunder commercial operation, it is deemed as fully accepted by the Buyer.

8.8. Adjustment period

After the equipment is accepted by the Buyer, some adjustment of the equipment must be expected for a reasonable period.

9. COMPLETION OF INSTALLATION

The installation or supervision shall be deemed as completed in the following situations:

- a) when the taking-over tests have been satisfactorily completed, e.g. by the Buyers signing of a "Receipt for installation", or
- b) when the taking-over tests are regarded under Clause 8.2 as having been satisfactorily completed, or,
- c) if the parties have no agreement to carry out taking-over tests; when the Buyer has received a notice from SANОВО that installation or supervision has been completed, provided that the Product is as required for taking-over according to the Agreement. Minor deficiencies which do not affect the efficiency of the Product shall not prevent taking-over, or
- d) if the Buyer initiates use of the Product.

As soon as the installation has been completed, the warranty period, referred to in clause 11.1, shall start to run.

Any time for delivery or installation mentioned in the Agreement shall be observed insofar as possible. The mere exceeding of the delivery term, however, shall only cause SANОВО to be in default if the delay is substantial under the circumstances.

10. BUYERS DEFAULT

Without prejudice to all other rights and claims, SANОВО may, at its sole discretion, suspend its performance of the Agreement or avoid the Agreement in whole or in part, if the following event occurs in respect of the Buyer:

- a) has failed to perform under the Agreement, cf. Clause 3.4 and Clause 5.3, or
- b) has ceased to exist, or
- c) has been converted into a different legal entity, e.g. by merger, or,
- d) has become insolvent, including but not limited to initiation of liquidation proceedings, bankruptcy proceedings, reconstruction proceedings, etc.

11. SANOVOS LIABILITY FOR DEFECTS

11.1. Limited warranty

Subject to the following sections, SANОВО warrants that the Product is of standard quality and operable and free from material defects. The duration of this limited warranty is 2.000 [two thousand]

operating hours (based on 8 [eight] hours per day and 5 [five] days a week) or 12 [twelve] months from installation or 18 [eighteen] months from delivery EXW, whatever occurs first. If the use of the Product exceeds that which is agreed, this period shall be reduced proportionately.

The use of spare parts from other manufacturers than SANОВО and/or having unauthorized personnel repair the machine will void the warranty.

If the Product is not subject to proper maintenance and/or cleaning, the warranty will be void. The warranty does not extend to incidents of contamination.

11.2. Limitations

SANOVO shall only be liable for defects that appear under the conditions of operation provided for in the Agreement and under proper use of the Product.

SANOVO shall not be liable for defects caused by circumstances, which arise after the risk has passed to the Buyer, e.g. defects due to the Buyer's faulty use, cleaning operation, maintenance, incorrect installation, use of non-genuine spare parts, improper storage, faulty repair or alterations made without SANОВО's written consent.

SANOVO is not liable for defects arising out of faulty supplies from external partners having been taken on or designated by the Buyer. This applies to whether the Agreement to the external partner or the external partner's services has been arranged by SANОВО.

SANOVO is not liable for any contamination incurring during the Buyers use of the Product, unless for gross negligence by SANОВО.

SANOVO is neither liable for normal wear and tear nor for deterioration.

SANOVO is not liable for any type of loss due to late or damaged product shipments.

11.3. Inspection and notification

When the installation is completed, cf. Clause 9, the Buyer shall be deemed as having inspected the goods for any defects that can be discovered through a reasonable inspection.

If a defect occurs at a later time that could not reasonably be discovered through such an inspection, the Buyer must without undue delay notify SANОВО in writing. The notice shall contain a description of the defect.

If the defect may cause damage, the Buyer shall immediately inform SANОВО. The Buyer shall bear the risk of damage to the Product resulting from his failure so to notify. The Buyer shall take reasonable measures to minimize damage and shall in that respect comply with instructions of SANОВО.

If the Buyer fails to notify SANОВО in writing of a defect within the time limits set forth in this Clause, the Buyer loses the right to have the defect remedied.

11.4. SANОВО's obligation to remedy defects

On receipt of the notice under Clause 11.3, SANОВО is obligated at its option to either:

- a) send one or more employees to repair and/or replace the defective part of the Product;

- b) demand that the Buyer uninstalls and sends the defective parts of the Product to SANOVO for repair;
- c) send a replacement to the defective part of the Product for the Buyer to install or
- d) give the Buyer a reduction of the purchase price corresponding to the value of the defective part of the Product.

If SANOVO chooses to perform the repair itself, the Buyer shall at his expense provide access to the Product and arrange for any intervention in equipment other than the Product, to the extent that this is necessary to remedy the defect.

Defective parts which have been replaced shall be made available to SANOVO and shall be SANOVO's property.

If the working conditions, as described in 7.2, are not met or maintained during remedy, SANOVO may suspend its remedy on Buyers' expense and liability until the working conditions are met.

11.5. No defects

If the Buyer has given such notice as mentioned in 11.3 and no defect for which SANOVO is liable is found, SANOVO shall be entitled to compensation for the costs incurred as a result of the notice.

12. LIABILITY

12.1. Force majeure

The parties shall be entitled to suspend performance of their obligations under the Agreement to the extent that such performance is impeded or made unreasonably onerous by 'Force Majeure', meaning any of the following circumstances: industrial disputes and any other circumstance beyond the control of the parties such as fire, war, extensive military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power, currency and export restrictions, epidemics, natural disasters, extreme natural events, terrorist acts and defects or delays in deliveries by sub-contractors caused by any such circumstance referred to in this Clause.

A circumstance referred to in this Clause whether occurring prior to or after the formation of the Agreement shall give a right to suspension only if its effect on the performance of the Agreement could not be foreseen at the time of the formation of the Agreement.

12.2. Damage caused by the Product

SANOVO shall not be liable for any damage to property caused by the Product after it has been delivered and whilst it is in the possession of the Buyer. Nor shall SANOVO be liable for any damage to products manufactured by the Buyer or to products of which the Buyer's products form a part.

It is the responsibility of the Buyer to ensure the quality of Buyer's suppliers and Buyer's cleaning procedures. SANOVO is not liable for any contamination or any consequences hereof.

If SANOVO incurs liability towards any third party for such damage as described in the preceding paragraphs, the Buyer shall indemnify, defend and hold SANOVO harmless.

The Buyer shall be obliged to be summoned to the court or arbitral

tribunal examining claims for damages lodged against SANOVO on the basis of damage allegedly caused by the Product.

12.3. Punitive damages and consequential loss

Neither party shall be liable towards the other party for punitive damages, loss of production, loss of profit, loss of use, loss of contracts or for any other consequential or indirect loss whatsoever.

13. INTELLECTUAL PROPERTY & PRODUCT DATA

13.1. Intellectual property

All drawings and technical documents relating to the Product or its manufacture submitted prior or subsequent to the formation of the Agreement, shall remain the property of the submitting party. Unless expressly stated in the Agreement, SANOVO and its suppliers maintain all intellectual property rights to the Products.

Drawings, technical documents or other technical information received by one party shall not, without the consent of the other party, be used for any other purpose than that for which they were provided. They may not, without the consent of the submitting party, otherwise be used or copied, reproduced, transmitted or communicated to a third party.

Neither party may make available to third parties' know-how which has not entered the public domain or trade secrets which a party may have learned in any way through his activity in connection with the Agreement.

13.2. Product data

The Product may collect data about its operation. If and when the Product includes an option for internet connectivity, and if the Product is connected, product data is transmitted to SANOVO for internal purposes at the customers' discretion and responsibility. Data received by SANOVO shall be handled securely and confidentially. Suspension or termination of the data transmission can always be done without notice and at the discretion of either the Buyer or SANOVO without the consent of the other Party.

14. DISPUTE SETTLEMENT AND APPLICABLE LAW

14.1. General

Any dispute arising out of or in connection with the Agreement, including any disputes regarding the existence, validity or termination thereof, shall be settled by arbitration in the country where SANOVO (i.e. the contracting member of SANOVO TECHNOLOGY GROUP, cf. Clause 14.3), is domiciled, and the Agreement shall be governed by the substantive law of the same country.

14.2. Fallback-rule

Sub-section 1 applies only if the contracting member of SANOVO TECHNOLOGY GROUP is domiciled in Denmark, Italy or the Netherlands. If the Agreement is concluded by a member of SANOVO TECHNOLOGY GROUP domiciled in another country, the choice of law shall be Danish law and the seat of arbitration shall be Copenhagen, cf. sub-section 3 below.

14.3. Seat of arbitration, language, and choice of institute

If the contracting member of SANOVO TECHNOLOGY GROUP is

domiciled in Denmark, or if the fallback-rule in sub-section 2 applies, the seat of arbitration shall be Copenhagen, the language shall be English and the arbitration shall be administered by The Danish Institute of Arbitration in accordance with the rules of arbitration procedure adopted by The Danish Institute of Arbitration and in force at the time when such proceedings are commenced. The number of arbitrators shall be three.

If the relevant member of SANOVO TECHNOLOGY GROUP is domiciled in Italy, the seat of arbitration shall be Milan, the language shall be English and the arbitration shall be settled by the Rules of the Milan Chamber of Arbitration (the Rules), by three arbitrators, appointed in accordance with the Rules.

If the relevant member of SANOVO TECHNOLOGY GROUP is domiciled in the Netherlands, the seat of arbitration shall be Amsterdam, the language shall be English, and the arbitration shall be finally settled in accordance with the Arbitration Rules of the Netherlands Arbitration Institute. The number of arbitrators shall be three.

15. MISCELLANEOUS

15.1. Language

The controlling language for the Agreement, including these terms, is the English language. Any translation into another language is for reference and accommodation purposes only and therefore has no legal effect. In case of any discrepancy in the interpretation of the Agreement or in connection with all correspondence, plans, lists, documents, records, documentation, etc., the English version of the Agreement prevails over any translation of the corresponding documents.

15.2. Titles and headings

The titles and headings of the sections in the Agreement or these terms are for convenience of reference and shall not affect the meaning and interpretation hereof.

15.3. Notices

All notices or other communications to be given or made under the provisions of this Agreement must be in writing in the English language to the address stipulated in this Agreement.

Each such notice or communication must be deemed to have been duly given or made when they are made as follows:

- a) sent by ordered letter to the recipient, with the date of delivery is the date of the receipt of the registered letter;
- b) sent by courier mail with date of delivery being the date of the courier company proof of delivery;
- c) sent via fax to a specified fax number, and fax delivery confirmation. Date of delivery of notification is considered the date of sending of fax notification approved by the Buyer;

- d) sent by email; the date of delivery of notification is considered the date of sending of email, but only if from the recipient was received an electronic notification that the letter was opened or answered by the recipient.

15.4. Documentation

SANOVO reserves the right to document the installation and start-up of the equipment using video and camera recordings. The recordings are only for internal use by SANOVO.

15.5. Non-waiver of rights

The failure of SANOVO to enforce any of its rights shall not be construed as a waiver of the right of SANOVO to enforce the clause thereafter, nor shall it be construed to be a waiver of any other provision.

15.6. Severability

If any provisions in the Agreement or these terms are held invalid or unenforceable in part or whole, it shall not impair the validity and enforceability of the remaining provisions.

15.7. Changes

SANOVO reserves the right to amend or supplement these terms from time to time. The current terms are always found at our webpage.

16. EU-COMPLIANCE

SANOVO is compliant with the following regulation in regard to materials to come into contact with food:

- Regulation (EC) No. 1935/2004 on materials and articles intended to come into contact with food.
- Regulation (EC) No. 2023/2006 on good manufacturing practice for materials and articles intended to come into contact with food.

We treat your personal data confidentially. Please read our privacy policy (located here: <https://www.sanovogroup.com/privacy-policy/>) that explains how we use the personal data that you provide in connection with the ordering procedure and general use of our website.

We support and follow the Ten Principles of the UN Global Compact, which we have incorporated into our Code of Conduct. We expect our business partners to do the same and encourage a visit to <https://www.unglobalcompact.org/>