- 1. Definitions. The term "Buver" refers to Saudia Dairy & Foodstuff Company (SADAFCO) with a registered Company Number of 4030009917 and its registered office at PO BOX 5043, Ibrahim Khaleel Street, Al Nakheel District, Jeddah 21422, Saudi Arabia, or Saudia Dairy & Foodstuff Company (SADAFCO), with a registered Company Number of 2050084202 and its registered office at Street 42, Second Industrial City, Dammam 31422 Saudi Arabia, as applicable. The term "Seller" refers to the person or entity providing Goods or Services to Buyer as requested by Buyer through issuance of a Purchase Order. The term "Purchase Order" means Buyer's standard purchase order form or other writing issued by Buyer to Seller wherein Buyer requests Seller to provide Goods or Services to Buyer. The term "Terms and Conditions" means the terms and conditions stated herein, along with any term or condition set forth on a Purchase Order, and any term or condition contained in any written specification, drawing, or other documentation expressly made a part of the contract to which the Terms and Conditions apply in a writing signed by both Seller and Buyer. "Goods" means any goods ordered by Buyer from Seller by way of a Purchase Order. "Services" means any services ordered by Buyer from Seller by way of a Purchase Order.
- 2. Delivery and Acceptance of Goods or Services. The parties agree that delivery shall not be deemed to be complete until the Goods or Services have been received and accepted by Buyer at the place designated by Buyer, notwithstanding any agreement to pay freight or other transportation charges. Unless otherwise mutually agreed by the parties in writing, title and risk of loss and damage to the Goods shall remain with Seller and shall not pass to Buyer until the Goods are received and accepted by Buyer. Seller retains title and risk of loss or damage to Goods in transit.

Unless otherwise agreed by the parties in writing, Seller will deliver the Goods or Services to Buyer on or before the date unless otherwise indicated or specified by Buyer. If Seller fails to deliver all or any part of the Goods or Services within the time specified by Buyer, or otherwise fails to deliver or perform in accordance with the Terms and Conditions, Buyer shall have the right to immediately cancel the applicable Purchase Order as to all the Goods or Services that are then undelivered, or any part thereof, and/or require Seller provide a satisfactory discount for Goods or Services which have been delivered under the applicable Purchase Order (where the undelivered Goods or Services materially concern or relate to the portions which have been delivered), all without prejudice to any rights Buyer may have at law or in equity. If Seller discovers that the Goods or Services, or any part thereof, cannot be delivered within the time specified by Buyer, or if such a delay is threatened, Seller shall notify Buyer's purchasing department immediately, except that such notice shall not relieve Seller of any duty or liability hereunder. Buyer shall have the right to request delivery of all the Goods or Services, or portions thereof, at any time prior to or following designated delivery dates and otherwise reserves the right to change delivery dates.

An acceptance of Goods or Services shall be deemed to occur only after Buyer has had a reasonable opportunity to inspect them. Concealed damages or over/short claims, if applicable, will be made only after total run is exhausted. Acceptance of any part of a service or commercial unit shall not be deemed to be an acceptance of the entire service or unit. Acceptance of all or part of the Goods or Services shall not be deemed a waiver of any claim based on the delay of delivery or other failure to perform in accordance with all Terms and Conditions. Time is of the essence with regard to all dates of delivery stated in this Purchase Order.

- Nonconforming Goods or Services. Seller shall comply with Buyer's quality assurance and fulfillment policies and procedures, and Seller's delivery of the Goods, as applicable, shall conform to Buyer's quality, packaging, and shipping standards. Buyer may, without liability, reject or revoke acceptance of Goods or Services, or any portion thereof, which, without limitation, are: (i) not in conformity with Buyer's standards or requirements, (ii) damaged or defective, (iii) otherwise not in conformity with quantities or descriptions referred to the applicable Purchase Order, (iv) not in conformity with the specifications and label of the product code number under which the Goods are to be sold, (v) not in compliance with any sample, or (vi) do not conform to Buyer's packaging/palletizing requirements or Seller's representations or warranties hereunder (collectively, 'Nonconforming Goods or Services''). Without Buyer's prior written authorization, Seller shall not deliver to Buyer Nonconforming Goods or Services, whether as an accommodation or otherwise, Buyer has the right, in its sole discretion and at any time without prejudice to any other rights or remedies that may be available to Buyer at law or in equity, to return Nonconforming Goods to Seller or require that Seller, at Seller's sole cost and to Buyer's satisfaction, replace or repair Goods or reperform Services which are Nonconforming Goods or Services and, if Seller fails to timely do so, Buyer may replace them with goods and/or services from a third party and charge Seller the cost thereof. If Seller refuses to accept any returned Nonconforming Goods within ten (10) days after Buyer gives notice of its intent to return the Nonconforming Goods, Buyer may return such Nonconforming Goods without authorization or dispose of such Nonconforming Goods in any manner. Any such return, disposal, destruction, correction, or replacement shall be at Seller's sole expense. Such expenses shall include, without limitation, a charge for handling Nonconforming Goods at Buyer's distribution facilities. Seller shall pay all charges, losses, damages and expenses incurred by Buyer incidental to the return or destruction of any Nonconforming Goods, and Seller shall immediately and fully refund to Buyer any and all payments made for Nonconforming Goods. Seller understands and acknowledges that Buyer may be purchasing Goods for purposes of resale to its customers and for use by consumers, and therefore, these Terms and Conditions are also provided for the benefit of Buyer's customers and consumers, to the extent applicable.
- 4. Inspection of Goods. The parties acknowledge that defects in the Goods or Services may be latent and not easily detectable. The passage of time shall not be deemed a waiver of Buyer's right to reject or revoke acceptance of the Goods or Services or any portion thereof. In addition the applicable standards of Good Manufacturing Practices.

- inspection rights described in these Terms and Conditions. Buyer shall have the option to inspect the Goods or materials used in the manufacture or packaging of the Goods, and any records relative thereto, at all reasonable times and places before, during, and after the manufacture or delivery of the Goods. Buyer reserves the right to inspect any facility in which Goods are manufactured, packaged, or stored and any raw materials, goods in process, or finished goods. An inspection or failure to inspect shall not relieve Seller of any responsibility or liability with respect to the Goods or material used in the manufacture or packaging of the Goods, nor shall an inspection be interpreted as an acceptance of Goods by Buyer. Seller shall at Seller's sole expense test Goods requiring testing and shall make all necessary corrections prior to providing Goods to Buyer.
- 5. Price. The parties agree that the total price stated in the applicable Purchase Order shall be binding on Seller (unless Buyer agrees in writing signed by Buyer to a pricing revision), in the currency stated on the Purchase Order, and exclusive of value added tax but inclusive of all other charges to be paid by Buyer to Seller. No charges for freight, crating, boxing, pallets, or other packaging related items will be allowed unless separately stated on the applicable Purchase Order. Seller represents that the price indicated in the applicable Purchase Order is Seller's lowest price currently in effect for Goods of similar quantity and quality. Should any lower price or any better terms be quoted by Seller to any of its customers for Goods of similar quantity or quality before delivery of the Goods, Seller shall promptly notify Buyer and thereupon, such lower price or better terms will apply to the applicable Purchase Order, provided that the granting of such lower price or better terms to Buyer would not be in violation of any law. Unless otherwise indicated in the Purchase Order, the price described herein is not subject to escalation of any kind or for any reason.
- Freight. Unless otherwise indicated on the applicable Purchase Order, all shipments of Goods shall be CPT Jeddah or Dammam (Buyer's designated destination) (Incoterms 2020) and Buyer shall have the option of specifying the method of transportation and selecting the carrier. Seller shall adhere to Buyer's instructions and specifications regarding pallet sizes, shrink wrapping and loading, and shall provide Buyer with all required documentation in accordance with Buyer's specifications and policies, including Assay(s), Certificate(s) of Analysis and Safety Data Sheets (SDS), as applicable, at time of delivery. When Seller arranges for freight, Seller shall schedule with Buyer each delivery of Goods at least 24 hours in advance. Seller shall pack all Goods so as to prevent damage during storage, transit and unloading.
- 7. Insurance. Seller shall maintain insurance coverages (Liability Insurance) with an insurance company rated by A.M. Best as "A" or better and based on limits, terms, and conditions as Buyer may from time to time require. Before delivery of the Goods or Services, Seller shall provide Buyer with a Certificate(s) of Insurance evidencing adequate coverage. Thereafter, Seller shall provide Buyer with a Certificate(s) of Insurance annually to evidence continuing adequate coverage. Seller shall provide Buyer at least thirty (30) days' prior written notice in the event of any material modification, cancellation or termination of any coverage.
- Payment. Unless otherwise specified in the applicable Purchase Order, payment terms are net 60 days. The time for payment commences on Shipped on Board Date for international transport or Invoice date for local transport (Within country). Buyer's acceptance of the Goods or Services and receipt of Seller's invoice, and time is not of the essence for such payment. Payment will be sent to Seller based on the actual receipt of Goods or Services and invoice therefor. Seller shall comply with all billing requirements reasonably requested by Buyer. Payment of all or any part of the price shall not be construed as a waiver of any claims by Buyer for defects, delay in delivery, or other breaches of the Terms and Conditions. Buyer shall have the right at all times to set-off any amount owing from Seller to Buyer or Buyer's direct and indirect corporate parents, subsidiaries, or affiliates, against any amount payable at any time by Buyer in connection with a Purchase Order. Seller will immediately pay to Buyer any debit balance owed to Buyer upon demand by Buyer.
- Representations and Warranties. In addition to any warranties available under applicable law, whether express or implied, Seller expressly represents and warrants as follows:
- (A) Goods are of good and merchantable quality, fit and safe for consumer use, and fit for the particular use to be made of the Goods by Buyer and Buyer's customers and consumers. Insofar as information regarding such intended use was previously unknown to Seller, Seller acknowledges that it has obtained such information from Buyer.
- (B) Goods and Services conform in every manner to Buyer's specifications, if applicable, and to the samples, specifications, and other descriptions provided by Buyer to Seller.
- (C) Goods are manufactured, packaged, stored, and shipped in compliance with Buyer's quality control and quality assurance standards.
- (D) Seller has full and complete title to the Goods, and title to all Goods delivered to Buyer are free of all liens, claims, debts, and rights of third parties.
- (E) Goods are free from any defects, whether patent or latent, including but not limited to faults in design, material, and manufacturing.
- (F) Goods are manufactured, packaged, stored, and shipped in compliance with all applicable Domestic, foreign and local laws, regulations, rules, guidelines, ordinances, and standards and

promulgated under The Saudi Food and Drug Authority (SFDA). Expiration Dates of Food Products shall be in line with the SFDA.FD standards (SFDA.FD 150-1, SFDA.FD/GSO 150-2) specified for certain products and shall comply with the minimum shelf-life requirement for its export to The kingdom of Saudi Arabia, Food Products intended for the Saudi market shall be in compliance to the Halal requirements as per SFDA.FD/GSO 993 and SFDA.FD/GSO 2055-1 with respect to its slaughtering & processing practices. Nutritional Labelling must comply with SFDA.FD 2233 which stipulates the guidelines on mandatory nutrient declaration and supplementary nutrition information for certain prepackaged Food products.

- (G) for a period of at least one (1) year after the expiry date of manufacture, Seller shall keep true, accurate, and complete records of manufacture, storage, shipment, and sale of the Goods in such form as Buyer requires and, upon request by Buyer, provide such records to Buyer.
- (H) Goods, and their packages and containers, bear all markings and labels required by all applicable domestic, foreign and local laws, rules and regulations, and the genuine origin of the Goods will be stated on the Country of Origin Declaration, Invoice, Health Certificate, and other importation documents, as applicable, and no shipment will be illegally transported from any other country.
- (I) Goods and Services are free from infringement of any and all domestic or foreign patent, copyright, trademark, trade dress, trade name, service mark, publicity or privacy right, or any other interest recognized by the laws of The kingdom of Saudi Arabia., any foreign country, or the statutes or common law of any domestic or foreign state.
- (J) Goods may be used and re-sold by Buyer and its parent companies, subsidiaries, and affiliates worldwide without limitation or restriction.
- (K) Seller has acquired all licenses, consents, and other authorizations necessary to allow Buyer's use as contemplated hereunder of any and all software incorporated in Goods, and any and all software provided by Seller hereunder shall contain no computer viruses, or other contaminants, including, but not limited to, any codes or instructions that may be used to access, modify, delete, or damage the computer programs or data files of Buyer.
- (L) Any design, manufacturing, installation, assembly, consulting, repair or other Services provided to Buyer hereunder will be performed with the skill, knowledge, care and diligence in accordance with the highest standards prevalent in the industry or business of Seller, and in any event no less than reasonable care and diligence.
- (M) Buyer has specifically relied upon all of Seller's representations and warranties contained in these Terms and Conditions, and Buyer will continue such reliance in issuing each Purchase Order as if such representations and warranties were made on the date of issuance of each Purchase Order. All of Seller's representations and warranties, both express and implied, constitute conditions of sale and will survive Buyer's receipt, inspection, testing, acceptance, payment, and use of the Goods and Services.
- 10. Defense and Indemnity. In addition to any other rights and remedies available to Buyer at law or in equity, Seller shall fully indemnify, defend and hold Buyer harmless from and against any and all claims, demands, losses, damages, suits, liabilities, and expenses (including, without limitation, court costs and attorneys' fees) of any type, under any theory of liability or recovery (collectively "Losses") arising from or related to:
- (A) Seller's tortious conduct or any negligent or wrongful act or omission of Seller, its officers, directors, employees, contractors, distributors, or agents, or any of their failure to comply with applicable law or these Terms and Conditions, including without limitation, the delivery of Goods or Services that are defective, non-conforming, or otherwise fail to comply with Seller's warranties or obligations:
- (B) any death, personal injury, property damage, or harm to any other right or interest of any third party arising directly or indirectly, in whole or in part, out of the Seller's manufacture, marketing, sale, delivery, assembly, installation, repair, use, purchase, resale, or promotion of the Goods or performance of Services; and/or
- (C) intellectual property, trademark, trade dress, copyright and/or patent infringement claims resulting from or arising out of the manufacture, marketing, sale, use, purchase, resale or promotion of the Goods, or any litigation based thereon.

For purposes of this Section, the term "Buyer" includes Buyer and its past, present, and future direct and indirect corporate parents, subsidiaries and affiliates, along with the officers, directors, employees, distributors, contractors, customers, agents, attorneys, insurers, successors, and assigns of such entities of persons. Included with the foregoing indemnification obligations is Seller's duty to assume Buyer's contractual obligations to indemnify, defend and hold Buyer's customers harmless from such claims. Any payment(s) required under this Section which are subject to any applicable withholding tax shall be made to Buyer so as to ensure that the net receipt, after tax, fully covers all Losses. Seller's obligations under this Section shall survive Buyer's acceptance of and payment for the Goods or Services.

- 11. Assignment/Delegation. Seller specifically understands that Buyer is relying on the special skills and abilities of Seller to provide the Goods or Services in accordance with the Terms and Conditions. To satisfy this purpose, Seller agrees not to assign any right nor delegate any duty hereunder without first obtaining the prior written consent of Buyer. Seller shall assign no right or interest in the applicable Purchase Order without the prior written consent of Buyer, and no delegation of any obligation owed, or the performance of any obligation by Seller, shall be made without the prior written consent of Buyer. Any attempted assignment or delegation shall be wholly void and totally ineffective for all purposes unless made in accordance with this Section.
- 12. Remedies. In addition to any other remedies available to Buyer hereunder, or under applicable law or in equity, in the event of any actual or anticipated breach by Seller of the Terms and Conditions, or if Buyer shall reasonably determine that Seller is, or is about to become, insolvent or the subject of insolvency proceedings, Buyer may terminate or cancel any Purchase Order, in whole or in part, and without liability on its part for such termination or cancellation. To the extent not so terminated or canceled, Seller shall continue performance hereunder.
- 13. Alterations. Seller shall consult with Buyer in advance on any alteration in the composition, properties, or manufacturing process for the Goods or their packaging. If no consultation takes place or Buyer does not agree to the alteration, Buyer will be entitled to fully or partially cancel the applicable Purchase Order without limiting Seller's liability for all damage caused to Buyer as a result of the alteration. If Buyer has agreed to the alteration, this merely means that, as regards the alteration, the Goods need not conform to the specifications in that respect. Such agreement will not affect Seller's other obligations hereunder.
- 14. Confidentiality. Seller shall not refer to Buyer, or any company affiliated with Buyer, in connection with Goods or Services rendered by Seller without first having obtained authorization in writing from Buyer. In addition, without Buyer's prior written approval, Seller shall not disclose or permit to be disclosed any information contained in a Purchase Order to any person to whom such disclosure is not necessary in connection with Buyer's performance hereunder. Seller shall treat all information furnished by Buyer or obtained from Buyer's customers or affiliates as confidential, and shall not disclose any such information to any third party or use such information for any purpose other than performing Seller's obligations hereunder. All property, including artwork, furnished to Seller by Buyer shall be confidential, shall remain Buyer's property, and, together with all copies, shall be returned to Buyer or destroyed as specified by Buyer.
- 15. Applicable Law. These Terms and Conditions, and any and all disputes arising out of or relating to them, or the subject matter, enforceability or breach thereof, shall be governed by, and construed and interpreted in accordance with the laws of The Kingdom of Saudi Arabia, without application of any conflicts of laws principles. Each party irrevocably agrees that the courts of The Kingdom of Saudi Arabia shall have jurisdiction to settle any dispute or claim arising out of or in connection with these Terms and Conditions, any Purchase Order or its subject matter or formation (including noncontractual disputes or claims). The rights and obligations of the parties hereunder shall not be governed by the provisions of the 1980 U.N. Convention on Contracts for the International Sales of
- 16. Prevailing Party. The prevailing party in any arbitration, litigation or other proceeding arising out of or relating to these Terms and Conditions, or the subject matter, enforceability or breach thereof, shall be entitled to recover from the non-prevailing party its costs and reasonable attorney's fees, as determined by the arbitrator(s) or court, including any costs or attorney's fees incurred in any collection action.
- 17. Entire Contract; No Modification/Waiver; Cancellation. These Terms and Conditions shall constitute the final, written expression of agreement between Seller and Buyer, constituting the entire agreement of the parties with respect to any Goods or Services purchased by Buyer from Seller. It may not be modified or terminated by Seller, and no claimed modification, rescission, or waiver shall be binding on Buyer unless consented to in writing by Buyer's duly authorized representative. In the absence of written acceptance by Seller, commencement of any work, performance of any Services, or delivery of any Goods by Seller pursuant to a Purchase Order shall constitute Seller's acceptance of the Terms and Conditions. Under no circumstance shall any terms and conditions that are in addition to or inconsistent with the Terms and Conditions, including but not limited to any of Seller's terms and conditions of sale or any other communication issued by Seller in connection with a Purchase Order, whether stated orally or in writing, or any custom, practice or course of dealing, be binding on Buyer without Buyer's written acceptance of such terms and conditions. Any subsequent Purchase Order issued by Buyer to Seller shall be deemed to incorporate the Terms and Conditions unless otherwise agreed in a writing signed by Buyer and Seller. No modification or waiver shall be deemed effected by Seller's acknowledgement or confirmation containing other or different terms. In the event of discrepancies, omissions, and/or errors in a Purchase Order, the matter shall be submitted immediately to the Buyer for determination. No waiver by Buyer of any provision or any obligation of Seller shall constitute a waiver of any other provision or any other obligation of Seller. No delay or failure on the part of Buyer in exercising any rights under the Terms and Conditions, and no partial or single exercise thereof, shall constitute a waiver of such rights. Notwithstanding the foregoing, Buyer shall have the right, upon reasonable notice to Seller, to cancel any Purchase Order without cause as to all or any of the Goods or Services. In that circumstance, Seller's exclusive remedy shall be reimbursement of the costs reasonably and actually incurred by Seller in preparing to provide the next scheduled delivery of the Goods or Services (but not subsequent deliveries), provided that Internal Only seimbursement will never exceed the purchase price set forth in the applicable Purchase Order

for the next scheduled delivery and provided further that Seller shall provide Buyer with a detailed written statement of those costs within three working days after Seller's receipt of notice of cancellation. Cancellation shall be effective on the date Buyer issues notice. Seller shall have the obligation to mitigate any costs by, among other things, re-selling the Goods, and Buyer shall be entitled to off-set such mitigation from the amount of Seller's costs. Under no circumstances shall Buyer be liable to Seller for any consequential loss or loss of anticipated profits.

- 18. Independent Contractor. Buyer and Seller shall be independent contractors. This transaction does not create a principal-agent, joint venture or partnership relationship between them, and neither one may legally command the other in any manner. In the event Seller's obligations hereunder require or contemplate performance of Services by Seller or its employees to be performed on Buyer's property or property of Buyer's customer, Seller agrees that all such work shall be done as an independent contractor and the persons performing such work shall not be considered employees of Buyer. Seller specifically acknowledges that neither it nor any of its employees, consultants, agents or representatives hereunder are entitled to participate in any of Buyer's benefit plans, including, without limitation: vacation, disability, life insurance, supplemental unemployment benefit, attendance bonuses, pre- retirement leave, pension and annuity, accidental death and dismemberment, hospital, surgical, or medical benefits. Seller will indemnify Buyer against payment of any and all taxes, premiums, or other benefits in the event that any governmental agency having jurisdiction thereof should hold that any of Seller's consultants, agents or representatives are employees of Buyer and not of Seller.
- 19. <u>Data Protection.</u> Seller warrants and represents that it will fully comply with all applicable data protection legislation in relation to any Personal Data (as defined in Resolution No. 98 dated 7/2/1443H 14 September 2021), including without limitation by maintaining a valid registration/notification and adequate technical, organizational and security measures. Personal Data provided by Buyer hereunder shall only be used by Seller to the extent necessary to fulfill its obligations under the applicable Purchase Order. Seller shall be responsible for any failures of its personnel or subcontractors to comply Seller's obligations under this Section. If any unauthorized disclosure of or access to Personal Data is attributable to a breach of this clause, the Seller shall bear its costs and the costs incurred by the Buyer and/or its applicable affiliate(s) in responding to such breach.
- 20. Personnel. In the event that the Royal Decree No. M/51 dated 23 / 8 / 1426 or any equivalent or similar legislation (collectively the "Employment Legislation") applies to any portion of Seller's performance or obligations under any Purchase Order, Seller agrees to discharge all of its obligations under the Employment Legislation and keep the Buyer indemnified in full against all Losses arising as a result of or in connection with (a) any act or omission of Seller in relation to obligations under the Employment Legislation; (b) all and any claims in relation to any employee who transfer pursuant to the Employment Legislation in respect of any period on or before the date on which the employee's employment transfers from the Seller to the Buyer or any replacement provider of goods or services; and (c) any claim made by or in respect of any person engaged or formerly engaged by Seller who is not a transferring employee.

- 21. <u>Headings.</u> The headings used in these Terms and Conditions are for convenience in locating provisions herein and shall not have any effect upon or be considered in the interpretation or meaning hereof.
- 22. Intellectual Property. All trademarks, product names, brand names, logotypes, patents, trade names, trade dress, copyrights, images, photographs, marketing concepts, trade secrets, know-how, domain names and other intellectual property owned or licensed by Buyer (collectively, "SADAFCO IP") shall remain the sole property of Buyer. Buyer hereby grants Seller a limited, revocable, nonexclusive, nontransferable, non-sublicensable, royalty-free right and license to use SADAFCO IP solely to the extent approved in writing in advance by Buyer in each instance and solely to the extent used in connection with Seller's performance of its obligations hereunder, and at all times subject to these terms. Seller will at all times comply with Buyer's written guidelines in respect of use of any such SADAFCO IP licensed hereunder, as the same may be varied from time to time in Buyer's sole discretion. No modifications or alterations to SADAFCO IP shall be made by Seller without the written approval of Buyer in each instance. Seller shall not do anything to harm the reputation or goodwill associated with SADAFCO IP or take any action inconsistent with Buyer's ownership of SADAFCO IP. Seller shall not: (a) use SADAFCO IP, or any word, symbol, or design confusingly similar thereto, as part of his own or any third-party corporate name, in connection with any domain name, or as part of the name of or in association with any product other than the products of Buyer; or (b) attempt to register any SADAFCO IP or any word, symbol, or design confusingly similar thereto. Seller expressly understands, acknowledges and agrees that Buyer reserves and retains any and all rights, title and interest in and to any of its SADAFCO IP not expressly granted hereunder, and Seller shall not claim any ownership rights, title or interest in and to any intellectual property rights of Buyer that are not expressly granted to Seller hereunder. If at any time Seller acquires any rights in any of SADAFCO IP, Seller agrees to assign and transfer such rights, title, registrations, licenses or applications to Buyer or to another third party as Buyer may designate in its sole discretion, along with any and all associated goodwill, without any additional cost or compensation, and to execute any documents necessary to effectuate such transfer.