



FRANCHISE DISCLOSURE DOCUMENT

Miniso Depot Franchisor LLC,
a California Limited Liability Company
200 S. Los Robles Ave, Suite 200
Pasadena, CA 91101
Tel: (626) 463-4251
Email: franchise@minisousa.com
<http://www.minisousaonline.com>

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 Patty Ma or Shines Shen at 200 S. Los Robles Ave, Suite 200, Pasadena California 91101; or by telephone at (626) 463-4251; or by email at patty.m@minisousa.com or 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.

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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	Audited Financial Statements
Exhibit F	State Effective Dates
Exhibit G	Receipts

Attachments

Attachment A	List of State Administrators
Attachment B	Agents for Service of Process

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).)

~~For no additional charge during the first year, we~~ We provide to you ~~all~~ technical support and maintenance required for your ~~Computer~~ 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. ~~After the first year~~ With the exception of the POS System, you are ~~also~~ 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 44 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).)

MINISO DEPOT FRANCHISOR LLC
FRANCHISE AGREEMENT

Franchisee:_____

Effective Date of Agreement:_____

Expiration Date:_____

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. ~~For no additional charge during the first year,~~ Franchisor shall provide to Franchisee ~~all~~ technical support and maintenance required for the ~~Computer 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