



FRANCHISE DISCLOSURE DOCUMENT

UNI GREEN INC

dba UG

A Delaware Corporation

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Newark, Delaware 19713

E-mail: ug-service@2024ug.com

Tel: 951-903-2398

As a UG franchisee, you will operate a retail food establishment that sells items from a focused menu featuring a variety of teas and juice drinks, using proprietary teas, milk teas and juices, tapioca balls, recipes and preparation techniques, freshly prepared and available for carry-out or consumption on the premises.

The total investment necessary to begin operation of a UG franchise business is \$283,500 to \$679,200 for a Single Outlet. This includes \$179,700 to \$241,700 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation of a UG franchise business is \$776,500 to \$1,977,600 for the Area Development. This includes \$504,100 to \$690,100 that must be paid to the franchisor or its affiliates.

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 government 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 Kai Lung Cheng at UNI GREEN INC, 131 Continental Drive, Suite 301, Newark, Delaware 19713 and telephone 951-903-2398.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, such as 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, DC 20580. You can also visit the FTC's homepage 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.

Issuance Date: February 1, 2025

(CA-unit & area developer)

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 or Exhibit C and D.
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 B 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 UG 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 UG franchisee?	Item 20 or Exhibit C and D 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 Exhibit F.

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.
2. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

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

UNI GREEN INC
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Exhibits

"A"	Franchise Agreement
"B"	Financial Statements
"C"	List of Franchise Outlets
"D"	List of Terminated Franchises
"E"	Area Development Agreement
"F"	State Franchise Administrators and Agents for Service of Process
"G"	State Specific Addenda
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"I"	Receipts

ITEM 1 THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

A. The Franchisor

UNI GREEN INC, a Delaware corporation formed on November 26, 2024, is the franchisor. We do business under the name “UG” (collectively “UG,” “we,” “us,” or “our”). Our principal business address is 131 Continental Drive, Suite 301, Newark, Delaware 19713. Our telephone number is (951) 903-2398, and our email address is ug-service@2024ug.com.

We were formed to offer and support “UG” franchises for the operation of specialty tea beverage shops. Our UG Shops primarily sell tea-based beverages to customers for consumption on the premises or for take-out. Our principal products include Essence Leaf Pure Tea Lime Osmanthus Honey Tea, Osmanthus Light Oolong Tea, Camellia Red Oolong Tea, and Fifteen Jasmine Flowers Tea, among others. We will also offer certain snack items, related merchandise, and other products and services that we may authorize or require from time to time.

Franchise Offerings

We offer two types of franchises under this Franchise Disclosure Document (“FDD”):

1. Single-Unit Franchise – which grants you the right to own and operate one UG Shop at an approved location.
2. Area Development Franchise – which grants you the right to develop multiple UG Shops within a specified territory, pursuant to an Area Development Agreement.

We do not offer or sell master franchises under this FDD. A separate master franchise offering for the UG system will be registered (where required) and disclosed under a different FDD.

We have not conducted business in any other line of business, nor have we operated under any name other than “UNI GREEN INC” or “UG.” We do not conduct business activities other than franchising and supporting UG Shops, except as described in this Item 1 or elsewhere in this FDD.

B. Our Business Activities and Market

Our UG Shops specialize in the preparation and sale of tea-based beverages and related products, served in a casual, quick-service environment. Customers can consume on-premises or opt for take-out. Our products target consumers seeking high-quality, premium tea experiences with unique flavor profiles.

This segment of the food and beverage industry is highly competitive, featuring both national chains and local specialty tea or coffee shops. Your UG Shop may compete with these established brands, independent cafés, and other beverage retailers.

C. Predecessors

A “predecessor” is any entity from whom we have acquired the major portion of our business assets, or who otherwise previously owned or operated the franchise system that we now own. We have no predecessors as defined by the Federal Trade Commission Rule.

D. Parents and Affiliates

1. Parents

Our parent company is Lian Fa International Dining Business Corporation as described below.

2. Affiliates

We have two affiliated companies that do not offer franchises of the type described in this FDD.

Lilian USA LLC is a Delaware Limited Liability Company with its principal business address at One Commerce Center, 1201 Orange Street #600, Wilmington, DE 19899, telephone number (800) 246-2677, and email address angus@1992sharetea.com. Lilian USA LLC does business as “Sharetea.”

Lilian USA LLC is affiliated with UNI GREEN INC through common ownership or control. Lilian USA LLC, however, offers or operates “Sharetea” branded businesses in the United States, which also sell tea-based beverages and related products. Lilian USA LLC does not sell UG franchises.

Lian Fa International Dining Business Corporation has its principal business address at 18F.-7, No. 95, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City 221416, Taiwan (R.O.C.), and its telephone number is +886-2-2654-8585. It is the parent company of Lilian USA LLC, UNI GREEN INC, and Lian Fa International Dining Business (HK) Co., Ltd. Lian Fa International Dining Business Corporation also franchises the “Mamak” brand, which is not currently being offered or sold in the United States. Although Lian Fa International Dining Business Corporation and Lilian USA LLC engage in similar or related lines of business (tea-based beverage shops), they are not parties to your UG

Franchise Agreement and do not provide any franchise-related services for UG. They will not guarantee or assume any of our obligations to you, nor will they receive any fees or royalties under your Franchise Agreement with us unless otherwise disclosed in this FDD.

E. Other Business Activities

Neither we, nor any parent or affiliate, currently operate businesses that provide goods or services to UG franchisees, apart from limited support, training, or supply chain coordination that we or an affiliate might provide to you as disclosed in this FDD. We maintain our own independent offices and support team separate from Lilian USA LLC and Lian Fa International Dining Business Corporation.

F. Government Regulations

We are subject to the Federal Trade Commission Franchise Rule (16 C.F.R. Part 436) and the California Franchise Investment Law (Cal. Corp. Code § 31000 et seq.) concerning the offer and sale of franchises. We are registering this FDD with the Department of Financial Protection and Innovation (or its successor) in California as required by law. Some states require registration or filing of a franchise disclosure document before offering or selling franchises; we will comply with the franchise laws of those states, where applicable.

In operating your UG Shop, you will also be subject to state and local laws, including health and safety regulations governing food service establishments, employment regulations, and other rules affecting retail food businesses. You must comply with all applicable laws and regulations related to the sale of food and beverages, zoning, waste disposal, public safety, and other laws outlined in your Franchise Agreement and in our operating manual.

G. Effective Date of Registration

In California, our FDD is effective as of the date it is registered or declared effective by the California Department of Financial Protection and Innovation. We will not offer or sell franchises in California until this FDD is registered (or exempted) under California law.

H. Prior Business Experience and Length of Time in Business

While the UG brand and system is relatively new, UNI GREEN INC was formed in 2024 and has not yet begun offering UG franchises. We do not currently operate any company-owned UG Shops. We intend to rely on our internal development team and external consultants with experience in franchising and specialty tea-based beverage operations. Any specific experience of our management team is disclosed in Item 2.

I. No Other Names

We do not operate under any names other than “UNI GREEN INC” and “UG.” We have never done business under any other name, and we have no predecessor businesses that offered franchises for this or any other system.

J. Separate FDD for Master Franchise Offering

This FDD does not cover any master franchise or subfranchise arrangement. If we decide to offer master franchises, we will prepare and register (where required) a separate FDD to disclose that offering.

ITEM 2 BUSINESS EXPERIENCE

Chairman, President: Mr. Kai Lung Cheng

Mr. Kai Lung Cheng has served as Chairman of Lian Fa International Dining Business Corporation at 18F.-7, No. 95, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City 221416, Taiwan R.O.C. since May 1992. He has also been Chairman of Lilian USA LLC at 1201 Orange Street #600, Wilmington, DE 19899 since March 2015, and Chairman of Lian Li Food Company at 18F.-7, No. 95, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City 221416, Taiwan R.O.C. since August 1977.

From April 2013 to the present, Mr. Cheng has served as a Supervisor of the Taiwan Chain and Franchise Association at 4F, No. 180, Nanking E. Road, Section 4, Taipei 105, Taiwan. He served as a Supervisor of the Taipei Neihu Technology Park Development Association at 4F, No. 12, Zhouzi St., Neihu Dist., Taipei City 114064, Taiwan, from September 2020 to July 2022, and has been its Director since August 2022.

Mr. Cheng has served as our Chairman since our inception on November 26, 2024.

Director of UG US Project Team: Mr. Bai-Hung Cheng

Mr. Cheng joined Lian Fa International Dining Business Corporation located at 18F.-7, No. 95, Sec. 1, Xintai 5th Road, Xizhi District, New Taipei City 221416, Taiwan R.O.C. in 2023 and has served as the Project Manager of the UG Taiwan Brand Development Department and the Special Assistant of the Chairman Office.

Mr. Cheng currently serves as the Director of the UG US Project Team. He has more than two years of experience in the overseas operation of the brands.

ITEM 3 LITIGATION

As of the date of this Franchise Disclosure Document, neither UNI GREEN INC (the “Franchisor”), any affiliate, nor any of their respective officers, agents, or employees is a party to any pending material litigation nor has any such litigation been concluded against them within the 10-year period immediately before the issuance date of this Franchise Disclosure Document. Additionally, none of these persons or entities is subject to any currently effective injunction, restrictive order, or decree resulting from a pending or concluded action brought by a public agency relating to the franchise or to the franchisor’s business operations.

To the best of our knowledge, there are no administrative proceedings or claims pending against UNI GREEN INC, nor have any been concluded, that are required to be disclosed in this Item 3. Because no litigation exists that must be disclosed, you should not infer that no litigation will arise in the future.

ITEM 4 BANKRUPTCY

Neither UNI GREEN INC (the “Franchisor”), nor any of its predecessors, parents, or affiliates, nor any officer or general partner identified in this Franchise Disclosure Document, has been involved as a debtor in proceedings under the United States Bankruptcy Code required to be disclosed in this Item. No such proceedings are currently pending, and none have occurred within the 10-year period immediately before the issuance date of this FDD.

ITEM 5 INITIAL FEES

Below is a summary of the fees you must pay to us before opening a UG Shop. We offer two types of franchise arrangements: a single-unit franchise and an area development franchise. Unless otherwise noted, all fees described are imposed by us, payable to us (or our designee), and are non-refundable except for the security deposit, which may be refundable under certain conditions as described below. You should review the franchise agreement, area development agreement (if applicable), and all other agreements carefully to understand when fees are due and the conditions under which any deposit might be returned.

A. Initial Fees for a Single-Unit Franchise

1. Unit Franchise Fee: \$15,000

This fee grants you the right to operate a single UG Shop at an approved location. You must pay the entire franchise fee in a lump sum when you sign the Franchise Agreement.

2. Technology Transfer Fee: \$30,000

This fee covers our mandatory initial training program for your operating principal and certain designated personnel. It is payable when you sign the Franchise Agreement or within a timeframe specified by us.

3. Store Pre-Opening Fee: \$12,000

This fee covers on-site support we provide around the time your UG Shop opens, including guidance on store setup, initial inventory procedures, and local marketing activities. It is payable when you sign the Franchise Agreement or within a timeframe specified by us.

4. Design Fee: \$3,000

Franchisee acknowledges and agrees that a Design Fee of Three Thousand Dollars (\$3,000) is required for initial design services, which include, but are not limited to, layout, signage, and interior design. This fee is due in full at the time of executing this Agreement or as otherwise required in writing by the Franchisor. The Design Fee covers only the initial scope of work as outlined above; any additional design services, revisions, or expansions beyond this scope may incur additional charges. By remitting the Design Fee, Franchisee confirms understanding and acceptance of the terms and scope of these design services.

5. Security Deposit: \$10,000

We may require you to pay a security deposit to ensure compliance with your obligations, such as maintaining brand standards, meeting minimum inventory requirements, and timely payment of fees. This deposit is held in a non-interest-bearing account. If you comply fully with your obligations, the deposit may be refunded according to the terms of your Franchise Agreement (less any amounts we are entitled to deduct). If you breach your Franchise Agreement, we may draw on or retain this deposit.

6. Equipment Fee: \$88,000 to \$130,000

The Equipment Fee must be paid when the Franchisee places the order. Payment terms will be arranged between the parties, and the fee is payable directly to the Franchisor. The exact amount due may vary depending on market conditions, supplier pricing, and the Franchisee's specific site requirements.

7. Utensils: \$6,700

The Franchisee must pay \$6,700 for Utensils, also due in full when placing the order. These utensils are essential for the initial operation of the franchise, and all details regarding their delivery and installation are to be arranged between the parties. The Franchisee should make this payment directly to the Franchisor under the terms specified in the Franchise Agreement.

8. Initial Inventory: \$15,000 to \$35,000

Franchisee is required to purchase an initial Inventory which is also due at the time of order. This inventory encompasses the essential goods and ingredients necessary to commence operations and ensure initial product availability. The total due and timing of delivery are determined by the final invoice the Franchisee receives from the Franchisor.

B. Initial Fees for an Area Development Franchise

1. Area Development Fee: \$100,000

You must pay this fee in a lump sum when you sign the Area Development Agreement. In exchange, you receive the right to develop multiple UG Shops within a specified territory over a set development schedule. The Area Development Fee is typically nonrefundable.

2. Technology Transfer Fee: \$30,000

This fee covers our mandatory initial training program for the area developer's operating principal and designated personnel. It is payable at the time you sign the Area Development Agreement or as agreed upon in writing.

3. Store Pre-Opening Fee: \$12,000

This fee covers on-site support for each UG Shop you open under the development schedule. The amount may be payable for each new unit you develop, or as otherwise specified in the Area Development Agreement.

4. Design Fee: \$3,000

Area Developer acknowledges and agrees that a Design Fee of Three Thousand Dollars (\$3,000) is required for initial design services, which include, but are not limited to, layout, signage, and interior design. This fee is due in full at the time of executing this Agreement

or as otherwise required in writing by the Franchisor. The Design Fee covers only the initial scope of work as outlined above; any additional design services, revisions, or expansions beyond this scope may incur additional charges. By remitting the Design Fee, Franchisee confirms understanding and acceptance of the terms and scope of these design services.

5. Security Deposit: \$30,000

We may require a security deposit specific to the Area Development Agreement to guarantee your obligations, including development schedule compliance and payment of all required fees. We hold this deposit in a non-interest-bearing account. If you fulfill your obligations under the agreement, this deposit is refundable according to the terms of the agreement. If you default, we may retain or draw on the deposit.

6. Equipment Fee: \$264,000 and \$390,000

The Equipment Fee must be paid when the Franchisee places the order. Payment terms will be arranged between the parties, and the fee is payable directly to the Franchisor. The exact amount due may vary depending on market conditions, supplier pricing, and the Franchisee's specific site requirements.

7. Utensils: \$20,100

The Franchisee must pay \$20,100 for Utensils, also due in full when placing the order. These utensils are essential for the initial operation of the franchise, and all details regarding their delivery and installation are to be arranged between the parties. The Franchisee should make this payment directly to the Franchisor under the terms specified in the Franchise Agreement.

8. Initial Inventory: \$45,000 to \$105,000

Franchisee is required to purchase an initial Inventory which is also due at the time of order. This inventory encompasses the essential goods and ingredients necessary to commence operations and ensure initial product availability. The total due and timing of delivery are determined by the final invoice the Franchisee receives from the Franchisor.

C. Payment and Refund Terms

1. Payment Terms: All fees are payable in U.S. dollars. We reserve the right to require payment by wire transfer, certified check, or other accepted methods. You must pay all

fees in full as outlined in the Franchise Agreement or Area Development Agreement, unless otherwise agreed in writing.

2. Refundability: Except for the security deposit (which may be refundable under specific terms described in the Franchise Agreement or Area Development Agreement), all fees are non-refundable. Once paid, these amounts are not returned to you, even if you do not open your UG Shop or if your Franchise Agreement is terminated.

ITEM 6 OTHER FEES

1. Unit Franchise

Below is a chart summarizing certain recurring or periodic fees you may pay to us under the Franchise Agreement. Unless otherwise stated, all fees are imposed by and paid to us and are non-refundable (see Note 1 below for exceptions).

Type of Fee (Note 1)	Amount	Due Date	Remarks
Royalty Fees	6% of Gross Monthly Revenues, minimum \$1,200 per month	The royalty fee for the previous month is payable before the 10th of the next month	Royalty is due and payable on the 10th day of each month beginning the first full calendar month after the date your Outlet opens ("Opening Date"). "Gross Revenues" include all revenue from the sale of all products and services and all other income of every kind and nature related to your franchise operation, whether for cash, by redemption of gift certificates or for credit, regardless of collection. Gross Revenues do not include sales tax or any other taxes you collect from customers for payment to an appropriate tax authority.
Software Service Fee	\$50 per month	Payable monthly along with the Royalty Fee	This fee covers your monthly software license, system usage, updates, and support for the required operational software. It is non-refundable.
Marketing Fund Contributions (Note 2)	A percentage of Gross Monthly Revenues not yet determined (estimated to be ~3%)	The marketing fund contribution for the previous month is payable	Applies only if and when we establish a Marketing Fund for the UG System. The percentage rate will be disclosed in writing once the Marketing Fund is established. See Item 11 for more details on the Marketing Fund.

		before the 10th of the next month	
Printed Advertising and Marketing Materials	\$1,000	As incurred	If you request printed advertising or marketing materials (e.g., banners, flyers), you must pay the cost of production, shipping, handling, and storage of the materials.
Pre-Opening Inspection	You pay the inspector's local transportation, meals, three-stars-or-above hotel accommodations, and other reasonable costs	As incurred	Before the grand opening of the UG Shop, we may assign an inspector for up to one (1) week. We are responsible for the inspector's salary and airfare; you must reimburse us only for the inspector's reasonable local travel and living expenses during the inspection.
Post-Opening Consultation Fees (Note 3)	\$300 per person, per day, or US\$350 per person, per day for a designated consultant, plus round-trip airfare from our main training facility (Taiwan), and local transportation, meals, three-stars-or-above hotel accommodations, and other reasonable costs	Before the training or consultation begins	These fees apply only if you request additional on-site consultation after the UG Shop's opening. You must arrange and schedule these sessions with us in advance. You are also responsible for your own personnel's salaries, travel, lodging, and meal expenses if they attend any additional training or consultations.
Renewal Fees	\$30,000	Prior to granting franchise renewal	You may renew the Franchise Agreement for 5 years if you meet certain conditions. The renewal fee must be paid each time you renew.
Supplier Testing Fee	\$0.00 (You or the supplier pay our actual	When billed	We do not charge an administrative supplier testing fee. However, you (or the supplier) must reimburse us for the actual

	testing costs)		costs we incur in testing or approving a proposed supplier, regardless of whether that supplier is ultimately approved.
Audit Fee	Cost of the audit	When billed	You shall be liable for all audit fees, including the auditor's expenses and any other reasonable costs.
Late Payment	5% per month or the highest rate allowed by law (whichever is lower)	When billed	We may change this fee without notice, but it will not exceed the maximum rate permitted by law. If you fail to pay us on time, we may charge interest on the unpaid amount. Continued non-payment may be grounds for termination of your Franchise Agreement.
Manual Replacement Fee	Currently no charge, but we reserve the right to implement a fee	When billed	If you request additional or replacement copies (physical or electronic) of our confidential operating manual or other manuals, we may charge a fee in the future.
Liquidated Damages for Buying from Unauthorized Supplier	\$20,000 per violation	Upon notice of violation	In addition to these liquidated damages amount, you will be liable for any further damages or losses we incur because of your violation.
Liquidated Damages for All Other Violations	\$10,000 per violation	Upon notice of violation	In addition, any gains you derive from these violations must be refunded to us.
Transfer Fees	\$10,000	At time of transfer	If you propose to transfer your franchise, we have the right of first refusal. If we approve the transfer, you must pay the transfer fee.
Cost and Attorney Fees	Will vary under circumstances	On demand	If you default under the Franchise Agreement, you must reimburse us for all costs (including attorney fees) we incur in enforcing or terminating the agreement.
Indemnification	Will vary under circumstances	On demand	You must reimburse us for all costs and damages arising out of claims related to your UG Shop's operation, except to the extent caused by our own negligence or willful misconduct.

2. Area Developer

Below is a chart summarizing certain recurring or periodic fees you may pay to us under the Area Development Agreement. Unless otherwise stated, all fees are imposed by and paid to us

and are non-refundable (see Note 1 below for exceptions).

Type of Fee (Note 1)	Amount	Due Date	Remarks
Royalty Fees	6% of Gross Monthly Revenues, minimum \$1,200 per month	The royalty fee for the previous month is payable before the 10th of the next month	Royalty is due and payable on the 10th day of each month beginning the first full calendar month after the date your Outlet opens ("Opening Date"). "Gross Revenues" include all revenue from the sale of all products and services and all other income of every kind and nature related to your franchise operation, whether for cash, by redemption of gift certificates or for credit, regardless of collection. Gross Revenues do not include sales tax or any other taxes you collect from customers for payment to an appropriate tax authority.
Software Service Fee	\$50 per month	Payable monthly along with the Royalty Fee	This fee covers your monthly software license, system usage, updates, and support for the required operational software. It is non-refundable.
Marketing Fund Contributions (Note 2)	A percentage of Gross Monthly Revenues not yet determined (estimated to be ~3%)	The marketing fund contribution for the previous month is payable before the 10th of the next month	Applies only if and when we establish a Marketing Fund for the UG System. The percentage rate will be disclosed in writing once the Marketing Fund is established. See Item 11 for more details on the Marketing Fund.
Printed Advertising and Marketing Materials	\$1,000	As incurred	If you request printed advertising or marketing materials (e.g., banners, flyers), you must pay the cost of production, shipping, handling, and storage of the materials.
Pre-Opening Inspection	You pay the inspector's local transportation, meals, three-stars-or-above hotel accommodations, and other	As incurred	Before the grand opening of the UG Shop, we may assign an inspector for up to one (1) week. We are responsible for the inspector's salary and airfare; you must reimburse us only for the inspector's reasonable local travel and living expenses during the inspection.

	reasonable costs		
Post-Opening Consultation Fees (Note 3)	\$300 per person, per day, or \$350 per person, per day for a designated consultant, plus round-trip airfare from our main training facility (Taiwan), and local transportation, meals, three-stars-or-above hotel accommodations, and other reasonable costs	Before the training or consultation begins	These fees apply only if you request additional on-site consultation after the UG Shop's opening. You must arrange and schedule these sessions with us in advance. You are also responsible for your own personnel's salaries, travel, lodging, and meal expenses if they attend any additional training or consultations.
Renewal Fees	\$72,500	Prior to granting franchise renewal	You may renew the Franchise Agreement for 5 years if you meet certain conditions. The renewal fee must be paid each time you renew.
Supplier Testing Fee	\$0.00 (You or the supplier pay our actual testing costs)	When billed	We do not charge an administrative supplier testing fee. However, you (or the supplier) must reimburse us for the actual costs we incur in testing or approving a proposed supplier, regardless of whether that supplier is ultimately approved.
Audit Fee	Cost of the audit	When billed	You shall be liable for all audit fees, including the auditor's expenses and any other reasonable costs.
Late Payment	5% per month or the highest rate allowed by law (whichever is lower)	When billed	We may change this fee without notice, but it will not exceed the maximum rate permitted by law. If you fail to pay us on time, we may charge interest on the unpaid amount. Continued non-payment may be grounds for termination of your Franchise Agreement.
Manual Replacement Fee	Currently no charge, but we reserve the right	When billed	If you request additional or replacement copies (physical or electronic) of our confidential operating manual or other manuals, we may charge a fee in the future.

	to implement a fee		
Liquidated Damages for Buying from Unauthorized Supplier	\$20,000 per violation	Upon notice of violation	In addition to this liquidated damages amount, you will be liable for any further damages or losses we incur because of your violation.
Liquidated Damages for All Other Violations	\$10,000 per violation	Upon notice of violation	In addition, any gains you derive from these violations must be refunded to us.
Transfer Fees	\$30,000	At time of transfer	If you propose to transfer your franchise, we have the right of first refusal. If we approve the transfer, you must pay the transfer fee.
Cost and Attorney Fees	Will vary under circumstances	On demand	If you default under the Franchise Agreement, you must reimburse us for all costs (including attorney fees) we incur in enforcing or terminating the agreement.
Indemnification	Will vary under circumstances	On demand	You must reimburse us for all costs and damages arising out of claims related to your UG Shop's operation, except to the extent caused by our own negligence or willful misconduct.

Notes

1. All fees in this Item 6 are non-refundable, imposed by and payable to UNI GREEN INC, unless otherwise noted. Except for the specific circumstances under which the Franchise Agreement or Area Development Agreement might allow a refund (if any), you should assume that no refunds will be available once these fees are paid. We may modify or adjust the fees under this Item 6 based on changing market conditions, cost fluctuations, or internal policies.

2. Marketing Fund: We reserve the right to establish and administer a Marketing Fund for the UG System. We have not yet established the Marketing Fund, and do not intend to do so until a sufficient number of UG Shops have opened to justify a regional or national marketing initiative. Once established, all UG Shops will contribute an amount or percentage of Gross Monthly Revenues that we determine is necessary to support the fund's marketing and promotional efforts (currently estimated to be approximately 3%). For further details, see Item 11.

3. Post-Opening Consultation Fee Basis: The listed fee covers our cost of providing personnel for the training or consultation sessions, including the administrative costs of coordinating schedules. You are responsible for all travel, lodging, and related expenses for your own staff who attend any additional training or consultation sessions.

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

To Become a Unit Franchisee

The following table provides an estimate of your initial investment to establish a single UG (“Tea Shop”) franchise. These figures are estimates only and may vary depending on numerous factors, including your local real estate market, labor rates, the size and condition of your premises, your business experience and capabilities, and your management of the UG Shop.

Type of Expenditure (note 1)	Estimated Amount or Estimated Low-High Range	When Due	Method of Payment	To Whom Payment is to be Made
Franchise Fee (note 2)	\$15,000	When you sign the Franchise Agreement	As arranged	Us
Technology Transfer Fee	\$30,000	When you sign the Franchise Agreement	As arranged	Us
Store Pre-opening Fee	\$12,000	When you sign the Franchise Agreement	As arranged	Us
Design	\$3,000	When you sign the Franchise Agreement	As arranged	Us
Security Deposit	\$10,000	When you sign the Franchise Agreement	As arranged	Us
Equipment Fee	\$88,000 to \$130,000	When you place the order	As arranged	Us
Utensils	\$6,700	When you place the order	As arranged	Us
Inventory (note 3)	\$15,000 to \$35,000	When you place the order	As arranged	Us
Related Personnel Cost for initial training (note 4)	\$2,000 to \$4,000	Before opening	As arranged	Third Party
Rent for the Tea Shop (note 5)	\$2,000 to \$10,000	As specified in lease	As arranged	Third party
Rental for Warehouse (note 6)	\$0 to \$5,000	As specified in lease	As arranged	Third party
Renovation (note 7)	\$55,000 to 300,000	As incurred	As arranged	Third party
Licenses, Permits, Fees and Deposit	\$10,000 to \$12,000	Lump Sum	Before opening	Third party
Point of Sale	\$3,800 to \$4,500	As incurred	Before	Third

System (note 8)			opening	party
Office Equipment & Supplies	\$500	As incurred	As arranged	Third party
Uniforms	\$1,000 to \$1,500	As incurred	Before Opening	Third party
Insurance (note 9)	\$4,500 to \$15,000	As incurred	Before opening, as arranged	Third party
Advertisement (note 10)	\$5,000	As incurred	Before Opening	Third party
Additional Funds – 3 Months (note 11)	\$20,000 to \$80,000	As incurred	As arranged	Third Party
Total			\$283,500 to \$679,200	

YOUR ESTIMATED INITIAL INVESTMENT

To Become an Area Developer

The following table provides an estimate of your initial investment to establish a UG Area Developer franchise. These figures are estimates only and may vary depending on numerous factors, including your local real estate market, labor rates, the size and condition of your premises, your business experience and capabilities, and your management of the UG franchised business.

Type of Expenditure (note 1)	Estimated Amount or Estimated Low-High Range	When Due	Method of Payment	To Whom Payment is to be Made
Area Development Fee (note 2)	\$100,000	When you sign the Area Development Agreement	As arranged	Us
Technology Transfer Fee	\$30,000	When you sign the Area Development Agreement	As arranged	Us
Store Pre-opening Fee	\$12,000	When you sign the Area Development Agreement	As arranged	Us
Design Fee	\$3,000	When you sign the Area Development Agreement	As arranged	Us
Security Deposit	\$30,000	When you sign the Area Development Agreement	As arranged	Us
Equipment Fee	\$264,000 to \$390,000	When you place the order	As arranges	Us
Utensils	\$20,100	When you place the order	As arranges	Us
Inventory (note 3)	\$45,000 to 105,000	When you place the order	As arranged	Us

Related Personnel Cost for initial training (note 4)	\$,6000 to \$12,000	Before opening	As arranged	Third Party
Rent for the Tea Shop (note 5)	\$6,000 to \$30,000	As specified in lease	As arranged	Third party
Rental for Warehouse (note 6)	\$0 to \$5,000	As specified in lease	As arranged	Third party
Renovation (note 7)	\$165,000 to 900,000	As incurred	As arranged	Third party
Licenses, Permits, Fees and Deposit	\$10,000 to \$36,000	Lump Sum	Before opening	Third party
Point of Sale System (note 8)	\$11,400 to \$13,500	As incurred	Before opening	Third party
Office Equipment & Supplies	\$1,500	As incurred	As arranged	Third party
Uniforms	\$3,000 to \$4,500	As incurred	Before Opening	Third party
Insurance (note 9)	\$4,500 to \$25,000	As incurred	Before opening, as arranged	Third party
Advertisement (note 10)	\$5,000 to \$15,000	As incurred	Before Opening	Third party
Additional Funds – 3 Months (note 11)	\$60,000 to \$240,000	As incurred	As arranged	Third Party
Total			\$776,500 to \$1,977,600	

Notes to Item 7

1. Your initial investment for a new Tea Shop or Area Developer depends on several factors, including but not limited to: the number of Tea Shops you develop; the size, configuration, and location; real estate and/or construction costs; and your method or terms of financing. The amounts shown are estimates only, and we cannot and do not guarantee that your costs will fall within these ranges. Costs may change frequently and can vary widely based on your local market conditions.
2. Opening Inventory includes tea products, ingredients, packaging, and other supplies. The exact cost depends on your store size, anticipated sales volume, and local supply costs.
3. Initial Training: Mandatory training occurs at your Tea Shop in the United States, prior to opening, for up to eight (8) of your employees. You must pay for the consultant's round-trip airfare from Taiwan (Republic of China), plus local transportation, meals, and hotel accommodations (three-stars or above). Additionally, you will pay for your own trainees'

travel and living expenses during training. Initial training typically takes 5 to 10 calendar days, although additional time may be required depending on the trainees' competence levels.

4. Rent for the Tea Shop: Costs will vary based on lease terms, location, space size, and local market conditions. Commercial leases often include taxes, insurance, repairs, and common area maintenance fees.
5. Warehouse Rental: You may need additional storage space depending on your inventory management strategy and the number of Tea Shops you operate. Similar variations in rental costs apply.
6. Renovation costs typically include architectural, engineering, and legal fees. Your costs could be higher if extensive redesigns, environmental remediation, or additional construction permit requirements are involved.
7. The Point of Sale (POS) System estimate covers site preparation, hardware, software, and installation for one station. Additional POS stations may be required if your Tea Shop is large or has high-volume sales.
8. You must maintain a minimum of \$2,000,000 in commercial general liability coverage (subject to our right to change coverage requirements). Some landlords may require higher coverage. Insurance premiums can vary significantly based on your location, claim history, and other factors.
9. Advertisement reflects initial marketing expenditures during the first three (3) months. Actual amounts may vary based on your local market.
10. Additional Funds – 3 Months is our estimate of the funds needed to cover business (not personal) expenses during your first three months of operation. These expenses include payroll, utilities, taxes, and general overhead. The figure does not include your personal living expenses or any allowance for the purchase of the opening inventory. Your actual costs will depend on a variety of factors, including local economic conditions and how you manage the Tea Shop.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

The following describes our requirements and limitations regarding the suppliers, products, and services you must use in establishing and operating your UG (the “Tea Shop”) franchise.

Required Purchases

We and our affiliates have invested substantial time, effort, and resources in developing the UG System, including (among other things) proprietary recipes, specialized tea and coffee products, bubble tea preparations, compatible food products, and other merchandise that we approve (collectively, “UG Products”). The UG System features distinguishing characteristics and elements such as proprietary trademarks, distinctive store design, décor, color schemes, and furnishings; specific menu items; defined operating standards, policies, and procedures; training and support services; and marketing and promotional programs. To protect and maintain the reputation and goodwill of the UG System, you must adhere to our high standards for consistency, quality, safety, cleanliness, and service. These standards (and the related requirements) may change over time, and you agree to follow any modifications that we implement.

Required and Approved Suppliers

All products—such as ingredients, equipment, packaging, uniforms, cups, and any other items—used or sold in the Tea Shop must meet our specifications, standards, and requirements. In addition, you must purchase these items from suppliers (including manufacturers, distributors, and service providers) that we approve.

Currently, we do not have exclusive suppliers for our products, cups, teas, or equipment. However, we will provide you with a list of suppliers who already meet our requirements. We and our parent company, Lian Fa International Dining Business Corporation (“Lian Fa”), may also act as approved suppliers for certain products or equipment; however, we are not the only approved suppliers. You can expect that items purchased from approved suppliers (in accordance with our specifications) will represent over 95% of the total purchases needed to establish and operate your Tea Shop. We may require that suppliers share information regarding shipping, distribution, and other data with us, and you must cooperate accordingly.

Approval of Alternative Suppliers

You may propose alternative or additional suppliers for required products and services, but each proposed supplier must demonstrate, to our satisfaction, that it can meet our standards, specifications, and requirements. Among other considerations, suppliers may be required to:

1. Show that they have adequate capacity to serve the UG System as a whole (including all current and future franchisees);
2. Provide consistent quality, reliable delivery, and competitive pricing;

3. Support product development or innovation that benefits the UG System;
4. Sign confidentiality or nondisclosure agreements to protect our proprietary information.

Our approval process may include requiring the proposed supplier to submit product samples for testing (by us or by an independent laboratory), as well as business and financial information. Neither our criteria for approval nor our review procedures are public. We may, at our sole discretion, withhold or revoke approval of a supplier if the supplier fails to meet our requirements, if we change our specifications, or for any other valid business reason.

Although we do not charge an administrative supplier testing fee, you (or the proposed supplier) must reimburse us for all actual costs we incur in evaluating the supplier's products or services, regardless of whether the supplier is ultimately approved. If we initially approve a supplier but later determine that it no longer meets our criteria, we may withdraw our approval at any time.

We reserve the right to limit the number of suppliers we consider for approval. For some categories of products or services, we may designate an exclusive supplier (which may be ourselves or a third party). Currently, you must purchase any proprietary tea blends or beverage syrups from our designated or approved suppliers. We and our affiliates are among the approved suppliers, but we do not require you to purchase exclusively from us for every category of product or service.

Revenue From Franchisee Purchases

1. Potential Revenue from Purchases:

We and our affiliates may derive revenue from your required purchases, although we do not lease any products or equipment to our franchisees and therefore do not earn revenue from equipment leasing.

2. Newly Formed Entity:

Because we are a newly formed company, the Franchisor's total revenue in 2024 is \$0.

3. No Required Purchase Revenue in 2024:

The Franchisor's revenue from all required purchases and leases in 2024 from the United States was US\$0.

Other than as described above, neither we nor our affiliates presently receive any material consideration (such as rebates, commissions, or markups) on your purchases from approved or

designated suppliers. However, we reserve the right to do so in the future and to use those amounts for any purpose we deem appropriate.

To our knowledge, there are no approved suppliers in which any of our officers or directors have an ownership interest, other than those relating to UG (or affiliates directly involved in producing UG-branded products).

Other Requirements

1. Insurance:

You must obtain and maintain, at your own expense, the insurance coverage we periodically require, and you must meet all insurance-related obligations under the Franchise Agreement. At a minimum, you must carry commercial general liability coverage of \$2,000,000 per occurrence (or a higher limit if we or your landlord require it). Your premiums and coverage terms will vary based on your history, location, insurance carrier, and other factors. All insurance policies must name us as an additional insured.

2. Advertising Materials:

You must submit all advertising, promotional, and marketing materials that we have not created or previously approved to us in advance. If we do not provide written approval within 30 calendar days of receiving those materials, they are deemed rejected. You may not use unapproved advertising materials.

3. Location Approval:

Before you sign any lease or purchase agreement for your proposed UG Shop site, you must submit the agreement to us for review. We will use commercially reasonable efforts to inform you of our approval or disapproval within a reasonable period after we receive the proposed agreement.

4. Computer and POS Requirements:

You must have and maintain a computer workstation, point-of-sale system, and related hardware and software that meet our then-current specifications, including (at a minimum) the ability to run common productivity software (like Microsoft Word and Excel) and high-speed internet access. See Item 11 for more details.

ITEM 9 FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under Franchise Agreement and Area Developer Agreement. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

	Obligation	Article in Franchise Agreement	Article in Area Development Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	2	1.3	1, 11, 12
b.	Pre-opening purchases/leases	2, 6, 10	2.1, 3.4	1, 6, 7, 11
c.	Site development and other pre-opening requirements	1, 2, 5, 6, 9, 10	1.1, 2.1, Exhibit 1	1, 6, 7, 11
d.	Initial and ongoing training	5	5.1	5, 11
e.	Opening	1, 5, 6	2.1, 11.3	11
f.	Fees	3, 4, 5	3, 12.4	5, 6
g.	Compliance with standards and policies/ operating manual	1, 6	1.4, 2.1, 4.5, 7.1, 10.2	11
h.	Trademarks and proprietary information	1, 7, 8	8	13, 14
i.	Restrictions on products/services offered	1, 6, 8	7.5	16
j.	Warranty and customer service requirements	6	2.1, 11.3	11
k.	Territorial development and sales quotas	1, 2	2.1	1, 12
l.	Ongoing product/service purchases	6, 8	2.1, 4.1	8
m.	Maintenance, appearance and remodeling requirements	1, 6	2.1, 7.6	11
n.	Insurance	10	7.7	7, 8
o.	Advertising	1, 4	7.8	6, 11
p.	Indemnification	11	12.7	6
q.	Owner's participation/management/staffing	1, 6	7.9	11, 15
r.	Records and reports	9	7.1	6
s.	Inspections and audits	6, 9	7.2, 7.3	6, 11
t.	Transfer	14	9.2	17
u.	Renewal	13	1.2	17
v.	Post-termination obligations	3, 7, 15, 16, 17	8.3	17
w.	Non-competition covenants	15	11.3	17
x.	Dispute resolution	18	12	17
y.	Compliance with anti-terrorism and other federal laws	None	None	None

ITEM 10 FINANCING

We do not offer direct or indirect financing to you. We also do not guarantee your note, lease, or

any other financial obligation you may incur in connection with establishing or operating your franchised business. You are solely responsible for arranging and maintaining any financing you require, and you must satisfy any lender or landlord requirements independently. We encourage you to consult with your legal and financial advisors to evaluate all potential financing options and obligations.

ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

I. SCOPE OF FRANCHISOR'S ASSISTANCE

Except as specifically listed below (or as otherwise stated in this Franchise Disclosure Document and in your Franchise Agreement or Area Development Agreement), we are not obligated to provide you with any other assistance in connection with establishing, opening, or operating your Tea Shop.

A. Pre-Opening Obligations

1. Site Selection

No Guarantee of Location Success: We do not select or secure real estate for you; you are solely responsible for identifying and negotiating real estate interests for your Tea Shop. If you are developing a new Tea Shop, we will approve the site you propose only if it meets our standards and criteria. However, our approval is not a guarantee of your success at that location. Many factors beyond our control may affect performance.

Approval Timeline and Consequences: If you fail to propose an acceptable site within sixty (60) days after signing the Franchise Agreement, we may terminate your Franchise Agreement immediately, and all fees paid to us (excluding any refundable deposits) will be forfeited. If you sign an Area Development Agreement, you do not need our approval to locate any store.

Local Codes and Permits: You must secure and comply with all local codes, ordinances, permits, and inspections. Any construction or remodeling must conform to our specifications and be approved in writing.

2. Design, Construction, and Equipment Standards

We will provide standard plans and specifications for designing, constructing, and equipping your Tea Shop (including decor, furniture, fixtures, and signage).

You must ensure your local architect and/or contractor incorporate any applicable building codes and permit requirements.

3. Initial Training Program

If you are opening a new Tea Shop, we will make initial training available for you and/or your designated representative. If you purchase an existing Tea Shop or need additional trainees, additional fees may apply.

You (and/or your designated representative) must successfully and timely complete the training program to remain eligible for a franchise. (See also Item 5 of the Franchise Agreement regarding training requirements.)

4. On-Site Pre-Opening Assistance

We may, at our discretion, provide on-site, pre-opening support at your Tea Shop to assist with setup, staffing, and preliminary operational guidance.

5. Advertising and Promotional Materials

We may provide templates for certain pre-opening advertising and marketing campaigns. You must comply with all brand guidelines and obtain our prior written approval for any locally generated materials.

6. Operating Manual

We will furnish you with a copy of our operating manual, which describes the mandatory and recommended procedures for managing and operating a Tea Shop. We reserve the right to update or modify these manuals at any time.

7. Authorized Suppliers

We will provide specifications, and approved supplier lists for equipment, inventory, and materials required to operate your Tea Shop. You must use approved or designated suppliers unless we authorize an alternative in writing.

8. Equipment, Products, and Inventory

You may be required to purchase certain equipment, products, materials, and inventory from us or from approved suppliers to meet our brand standards. For certain advertising materials (e.g., menus, posters), we provide digital templates, and you must procure printing locally. For major items like furniture and fixtures, we only provide specifications; you must arrange purchase, delivery, and installation at your own expense.

9. Operations Manual and Standards

Before you open, we'll give you access to our operations manual and other written materials that explain how to run a UG Shop. From time to time, we may update, change, or add to these materials to keep things current and consistent with the UG System. You agree to follow the most recent versions of everything we provide. We may offer suggestions or advice on how to run your business, but it's up to you to make your own decisions, pay for any related costs, and make sure you're following this agreement, all applicable laws, and our system's standards.

B. Post-Opening Obligations

After your Tea Shop opens, our ongoing obligations and services may include the following:

1. Ongoing Support and Guidance

We'll try to maintain a supportive, ongoing relationship with you and may offer advice, tools, or resources that we think could help you set up and run your UG Shop. This support might include things like recommendations on picking a location, designing and building your store, training, marketing ideas, managing inventory, and other parts of the UG System. However, any help we give is up to us—what kind, how often, and how much support we offer may change depending on our goals, resources, and business needs.

2. System Standards

We will provide and update standards regarding store operations, product quality, authorized suppliers, employee qualifications, and other operational aspects. These standards are conveyed through our operating manual and other written communications.

3. Quality Control

We will continue efforts to ensure high and uniform standards of quality, cleanliness, appearance, and service across all Tea Shops in the UG System. We may conduct inspections or audits at our discretion.

4. Advertising Review

We will review and approve local advertising or promotional materials you propose to use. We do not guarantee that we will approve your advertisements in any particular timeframe.

5. Manual Updates

We may periodically update the operating manual to include improvements, new products, or revised procedures.

6. On-Site Post-Opening Assistance

We may, at our discretion, provide post-opening visits to offer further guidance or ensure compliance with our standards.

7. Advertising Fund

Should we establish a marketing or advertising fund in the future, we may administer it on a regional or national basis. As of the date of this FDD, no such fund exists, but if we form one, you may be required to contribute.

II. ADVERTISING EXPENDITURES

A. Local Advertising

1. Minimum Suggested Expenditure: We recommend you spend approximately 3% of your Gross Monthly Revenues on local advertising. This percentage is not paid to us; rather, you directly bear the cost of local advertising.
2. Compliance and Approval: All local advertisements must comply with our brand guidelines, and you must obtain our prior written approval for any materials used.

B. Marketing Fund (If established)

1. Right to Create Fund: We do not currently maintain a marketing fund. However, if established, you will be required to contribute approximately 3% (or another stated percentage) of your Gross Monthly Revenues, payable in the same manner as royalty fees.
2. No Franchise Solicitation: Any marketing fund we create will not be used primarily to solicit the sale of franchises.
3. Cooperatives or Councils: We do not currently have a franchisee advertising council or any local/regional advertising cooperative, and do not anticipate creating one soon. If we do in the future, your participation requirements will be communicated to you.

C. Franchisor's Independent Advertising

1. No Obligation to Advertise: We are not obligated to advertise on your behalf or in your area. Any advertising we choose to conduct is at our sole discretion and may include web campaigns, TV, radio, social media, or event promotions.
2. Source of Advertising: Any franchise-wide or regional advertising, if we undertake it, will typically be developed by our in-house marketing team or an external agency designated by us.

III. COMPUTER AND ELECTRONIC CASH REGISTER SYSTEMS

A. Required Workstation

You must maintain at least one computer workstation (with monitor and printer) that meets our minimum system requirements, including the ability to run software like Microsoft Word and Excel and to access the internet. We provide no obligation for maintenance, repairs, or updates for your system.

B. Point of Sale (POS) System

You must use an approved POS system capable of recording all sales, retaining data during power outages, and maintaining accurate daily transaction records. The estimated purchase price of a POS system meeting our current specifications is approximately \$8,000, and typically there is no annual cost once you have purchased the system.

We will have independent and unlimited access to all information generated and stored in your POS systems. You are responsible for ensuring that the collection, input, storage, and use of your franchised business data comply with any privacy laws and regulations applicable to your Franchised Business. There are no limitations in the Franchise Agreement as to when we may access your POS systems or what information we may access. We may also mandate hardware or software upgrades at any time, and there is no contractual limit on the frequency or cost of such upgrades.

Continued access to the POS system is contingent upon yours full compliance with the terms of the Agreement. In the event you fail to comply with any of obligations under the Agreement, we reserve the right, in our sole discretion and without prior notice, to immediately suspend your access to the POS system and the software system of any equipment. This suspension shall remain in effect until us determine that you have cured all defaults to our satisfaction.

C. Future Upgrades

You acknowledge we may require you to upgrade or replace your POS or computer hardware/software, and you must bear any associated costs.

IV. OPERATING MANUAL

A. Manual Contents

We will provide you with an operating manual (or manuals) that contain mandatory standards, procedures, and rules for operating a UG System Tea Shop. The table of contents for the current operating manual is provided for your reference.

B. Confidentiality and Changes

The operating manual is copyrighted, confidential, and may not be reproduced or shared with unauthorized persons. We may revise or update the manual at any time, and such updates become binding on you.

V. SITE AND LEASE APPROVAL

A. Site Selection Process

For new Tea Shops, you may select and propose a site, which we must approve in writing. We consider various factors such as rent, demographics, parking, accessibility,

competition, local regulations, signage, etc. We do not guarantee that an approved site will be successful.

B. Non-Approval

If a site is not approved within sixty (60) days (or another period stated in your Franchise Agreement), we may terminate the Agreement and retain any non-refundable fees you have paid.

C. Lease Terms

If you lease the site, you must provide us with a copy of the final lease or purchase agreement. We do not ordinarily negotiate with landlords on your behalf, and we do not reimburse any fees or costs for site research if ultimately you or we reject the site.

D. Construction and Compliance

We supply generic plans or specifications for a typical UG location. You must engage a local licensed architect or contractor to adapt these plans for your local code compliance. You may not begin construction until we approve your final plans. You bear all costs for construction and remodeling.

E. Accessibility Standards

You must ensure the location complies with all accessibility laws (including federal, state, and local requirements). We are not liable for any non-compliance or accessibility issues.

VI. HIRING AND TRAINING

A. No Hiring Assistance

We do not provide direct assistance in hiring your employees. You are solely responsible for recruiting, selecting, compensating, and managing your staff.

B. Initial Training

We conduct an initial training program for you (or your designated principal operator) and a limited number of employees (typically eight). Training is usually conducted at your Tea Shop. You are responsible for all travel, lodging, salaries, and related expenses for your attendees, as well as trainer expenses if we dispatch trainers from other locations.

C. Training Topics

Our standard training includes, among other subjects: operations management, human resources management, inventory control, marketing plans, tea preparation, raw material handling, equipment maintenance, and customer service.

D. Scheduling and Completion

Your initial training must be completed before your Tea Shop opens (or within the timeframe set in the Franchise Agreement). If you or your employees fail to successfully finish training, we may terminate the Franchise Agreement.

E. Additional or Ongoing Training

We may offer or require additional training (e.g., new product launches or remedial training) at your expense. We reserve the right to modify the training curriculum and schedule as needed.

VII. POST-OPENING CONSULTATION

A. Optional Field Support

If you request on-site technical or orientation personnel to assist with special operational challenges or additional store openings, we may provide such personnel at our discretion. You shall pay all associated expenses, including a daily fee (e.g., \$300–\$350 per day, per person), airfare, lodging, meals, and local transport costs.

B. Supplier Testing and Approval

As mentioned in Item 6 and Item 8 of this FDD, you may propose alternative suppliers for approval. While we do not charge an administrative supplier testing fee, you or the supplier must reimburse us for all testing costs incurred, regardless of approval outcome.

VIII. TRAINING PROGRAM OVERVIEW

Below is a general table of contents for our operating manual and a summary of typical training modules:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Corporate & Training Overview and Introduction	3-8	10-15	Store
Counter Operation		3-8	Store
Management and Human Resources		3-8	Store
Kitchen Operation		3-8	Store
Store Opening & Closing Procedures		3-8	Store
POS Training		2-4	Store
Inventory and Controls		3-8	Store
Food Safety		2-4	Store
Customer Service		2-4	Store
Import Operations		3-6	Store
Marketing Plans		3-6	Store
Basic Maintenances		3-6	Store

Lead Trainer Qualifications: We have a dedicated team of instructors, each instructor has at least 3 years of experience in hospitality and has trained Tea Shops in over 10 countries.

IX. TIMING BETWEEN SIGNING AND OPENING

Typically, it takes about two to three months from (i) signing the Franchise Agreement (or paying fees) to (ii) the opening of the Tea Shop. Factors that may cause delays include site availability, financing, building permits, local zoning, equipment procurement, and construction schedules. Although we aim to assist you, we do not control these external factors, and we cannot guarantee your opening timeline.

X. NO GUARANTEE OF RESULTS OR LOCATION SUCCESS

While we provide guidance, standards, and training, we do not guarantee your success or profitability. Many variables—such as local market conditions, management competence, cost controls, and unforeseen events—will impact your performance. We encourage you to carefully evaluate all risks and consult independent advisors before entering into any Franchise Agreement.

XI. TABLE OF CONTENT OF THE OPERATING MANUAL

TOPIC	NUMBER OF PAGES
Brand Introduction	1-68
Store Opening	69-92
Store Operation	93-148
Store Closing	149-183
Store Cleaning	184-204

ITEM 12 TERRITORY**A. Single-Unit Franchise**

Under our standard single-unit Franchise Agreement, you have the right to develop and operate only one Tea Shop at a specific location approved by us. You do not have any contractual rights to develop additional Tea Shops under the same agreement, nor any options or similar rights to acquire more units. If you wish to open more Tea Shops in the future, you must sign separate franchise agreements and satisfy all then-current conditions for new franchisees.

Your right to operate a Tea Shop under our trademarks is tied solely to the location set forth in your Franchise Agreement, and you are not granted a minimum or exclusive geographic territory. The territorial right does not depend on achieving any particular level of sales or market penetration, and you may face competition from other franchisees, from outlets we or our affiliates own, or from alternative distribution channels or competing brands that we control or license. You do not have the right to distribute products through other channels (for example, Internet orders, catalog sales, or telemarketing), and you may not solicit or accept orders outside of your Tea Shop without our prior written consent.

If your Tea Shop is designated a “Traditional Location,” you may receive a limited protected territory (the smaller of a three-mile radius or within the same zip code, village, city, or county), provided that you remain in full compliance with the Franchise Agreement. Within this limited protected territory, we will not grant another franchise or open a company-owned store for a similar “traditional” outlet. However, you have no protections against our opening or licensing others to open non-traditional outlets, such as those in airports, shopping malls, colleges or universities, schools, stadiums, concert halls, food courts, hotel, resort, military installation, train station, subway station, toll roads, theme park, hospitals, and other governmental facilities, office facilities, or other non-traditional venues—even if these lie within your protected territory. We may also expand distribution of our products or services through other channels (telephone, mail, Internet, or direct marketing) without compensating you for any resulting sales, even if this competes with your Tea Shop. Additionally, you do not have the right to relocate your Tea Shop unless you obtain our prior written approval, which we may grant or deny in our sole discretion based on factors such as performance, staff continuity, local demographics, and competition.

You also do not have any rights of first refusal or other preferential rights to purchase additional franchises or territories under your single-unit Franchise Agreement. If we allow you to open another outlet, you must execute our then-current form of Franchise Agreement, pay all then-current fees, and satisfy any performance-based criteria we require.

We may establish one or more UG websites and may require you to participate by providing information for content development. We and our affiliates have the exclusive right to register Internet domain names and to establish and operate sites using our domain names, which you acknowledge are our sole property. You may not use any computer or electronic medium (for example, an Internet home page, website, bulletin board, metatag, or other online activity) involving our Marks without our express written consent, or as expressly permitted in our Manual. We may include on our websites interior pages that identify and promote all UG Tea Shops, including yours, by geographic region, address, telephone number, or other relevant information. You must not establish a separate website without our prior written approval; if approved, you must comply with our policies, standards, and specifications for its creation, maintenance, and content. We have exclusive authority to decide whether, and under what terms, you may create or operate a website or use online marketing channels.

B. Area Development Franchise

If you sign an Area Development Agreement, you receive the conditional right and obligation to develop multiple Tea Shops in a specified development area pursuant to a schedule we approve. This arrangement does not necessarily grant you exclusivity in that area, and you may still face competition from other franchisees, company-owned stores, or other channels of distribution and competitive brands we control or license. Unless the Area Development Agreement explicitly states otherwise, the presence of an overall development territory does not prohibit us from distributing products through direct channels or licensing other parties to do so, even within the same area.

Each Tea Shop you develop under an Area Development Agreement will typically receive the same level of territorial protection—or lack thereof—as is granted for a single-unit franchise of the same type. In other words, if a location is designated as “traditional,” we will not locate or grant another similarly designated franchise within the smaller of a three-mile radius or within the same zip code, village, city, or county, so long as you comply with the Area Development Agreement and remain current with your obligations. However, non-traditional outlets, either ours or another franchisee’s, may still be placed anywhere, including within or near your development area. We are not obligated to provide you with the right to relocate or expand your Tea Shops. Any request to relocate or to open additional units beyond those called for in the development schedule is subject to our approval in our sole discretion. You do not automatically receive authority to engage in e-commerce, telemarketing, or other direct sales channels, and we may use or license such channels ourselves without compensation to you, even where it competes with your Tea Shops.

ITEM 13 TRADEMARKS

We grant you the right to operate under the name UG. You may also use other current or future trademark. By trademark, we mean trade names, trademarks, service marks, and logos used to identify your business and the Beverage Outlets. The following Marks are filed by LIAN FA INTERNATIONAL DINING BUSINESS CORPORATION, our parent company, on the Principal Register of the United States Patent and Trademark Office. We are authorized by LIAN FA INTERNATIONAL DINING BUSINESS CORPORATION to license UG to any person or entity from January 1, 2025 to January 1, 2035.

Mark	Registration/ Serial No.	Registration or Application/Filing Date
	Serial No 98825557	Filing Date October 29, 2024
UNI GREEN	Serial No 98825547	Filing Date October 29, 2024
	Serial No 98825527	Filing Date October 29, 2024

You are licensed to operate and identify the outlet under the principal trademark UG, UNI GREEN, logotype displayed on the cover of this disclosure document, and other current or future trademarks.

On October 29, 2024, LIAN FA INTERNATIONAL DINING BUSINESS CORPORATION filed the principal trademark UG with the United States Patent and Trademark Office (“USPTO”), for registration on Principal Register in class 29, 30, 32, 35 and 43, serial number 98825557.

On October 29, 2024, LIAN FA INTERNATIONAL DINING BUSINESS CORPORATION filed another trademark UNI GREEN with the USPTO for registration on Principal Registrar in class 29, 30, 32, 35 and 43, serial number 98825547.

On October 29, 2024, LIAN FA INTERNATIONAL DINING BUSINESS CORPORATION filed another trademark UG with the USPTO for registration on Principal Registrar in class 29, 30, 32, 35 and 43, serial number 98825527.

There are presently no effective determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or court, nor any pending interference, opposition or cancellation proceedings involving the trademarks. There are no agreements currently in effect that significantly limit our rights to use or license the use of trademarks listed in this Item to the franchise. There is no pending material federal or state court litigation regarding our use or ownership rights in the trademarks.

The franchisor has filed all required affidavits of with the USPTO. Furthermore, we confirm that all trademark registrations have been properly renewed in accordance with the relevant laws and regulations.

You must follow our rules when you use the marks. You cannot use our principal trademark as part of a corporate name, or with modifying words, designs or symbols except for those which we license to you. You may not use the trademarks in connection with the sale of any unauthorized product or service, or in any manner that we have not authorized in writing.

We have the right to control any administrative proceedings or litigation involving a trademark licensed to you. You must notify us promptly when you learn about an alleged infringement, unfair competition, unauthorized third-party use of or challenge to your use of the trademarks. We will promptly take the action we think appropriate. We will indemnify you for any action against you by a third party based solely on alleged infringement, unfair competition, or similar claims about the trademarks. But we have no obligation to defend or indemnify you if the claim against you relates to your use of the trademarks in violation of the Franchise Agreement.

If you learn that any third-party whom you believe is not authorized to use our trademarks is using them or any variant of them, you must promptly notify us. We will determine whether or not to take any action against the thirdparty.

You must modify or discontinue the use of a trademark if the trademark owner modifies or discontinues it. You must not directly or indirectly contest the trademark owners' rights to the trademarks, trade secrets, or business techniques that are part of our business.

Except for the proprietary rights of our parent company in the marks, there are no infringing uses or previous superior rights known to us that can materially affect your use of the marks in this state or any other state in which the franchised business is to be located.

ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents and Copyrights

We do not own rights in, or licenses to, patents or copyrights that are material to the franchise and you do not receive the right to use any item covered by a patent or copyright. However, we assert a common law copyright on the contents of the Manual (and only you or your authorized employees can have access to and use the proprietary information in the Manual).

We do not currently have any pending patent applications that are material to the franchise.

Our Proprietary Rights in Other Confidential Information

You may never reveal any of our confidential proprietary information or trade secrets to another person or use it for another person or business. You may not copy any of our confidential proprietary information or disclose it to a third party except as we authorize. You must also promptly tell us when you learn about unauthorized use of any of our confidential proprietary information. We are not obligated to take any action but will respond to your notification of unauthorized use as we think appropriate.

The franchisor's proprietary recipes for beverages and drinks, as well as the standardized procedures for producing these beverages, constitute confidential information and are considered trade secrets of the franchisor. These recipes and procedures have been developed through extensive research and experience, and they represent a significant competitive advantage in our market. The protection of this information is critical to maintaining the uniqueness and appeal of our brand. Franchisees will be granted access to these trade secrets as part of their franchise agreement, under the strict condition that they maintain the confidentiality and do not disclose or use this information outside the operation of their franchised business. The franchisor takes the security of its intellectual property seriously and expects all franchisees to adhere to the same level of care and discretion.

ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

We seek franchisees whose principal owner intends to be actively involved in the day-to-day management and operation of the franchised business. You must employ (or designate) at least one Store Manager who has successfully completed our initial training program.

You must disclose the identity of the Store Manager to us in writing, and you must immediately notify us in writing if that individual ceases to serve in this capacity for any reason. The Store Manager may not have any direct or indirect interest or business relationship with any of our competitors. Furthermore, the Store Manager must devote full-time effort, during normal business hours, to the management, operation, and development of the Franchised Business. Failure to meet these requirements will constitute a material breach of the Franchise Agreement.

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell at your UG Tea Shop only UG Products and other goods and services that we designate as required for all franchisees or have approved.

You are obligated to sell all goods or services that have been authorized by us. This obligation is a key component of maintaining brand consistency and quality across all franchise locations. We select and approves a range of goods and services to be offered by franchisees, ensuring that they

align with the brand's standards, customer expectations, and market trends.

We have the right to change and add other authorized goods and services that you will be required to offer.

There are no restrictions on the customers to whom you may sell UG Products and related products at your Outlet.

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.

Table for Franchise Agreement

Provision	Articles in the Franchise Agreement	Summary
a. Length of the franchise term	13.1	For the Franchise Agreement, the term is five (5) years.
b. Renewal or extension of the term	13.2	Franchisee may seek to renew this Agreement once for an additional five (5) years, provided Franchisee delivers a written renewal request to Franchisor at least twelve (12) months prior to the expiration of the initial term and satisfies all then-current renewal criteria.
c. Requirements for franchisee to renew or extend	13	The Franchise Agreement may be renewed for five (5) years. The renewal may require you to sign agreement with materially different terms.
d. Termination by franchisee	17.1	Franchisee may terminate the Agreement in the event that Franchisor fails to provide the training mandated under the Agreement.
e. Termination by franchisor without cause	17.2.3	Subject to applicable law, Franchisor may terminate this Agreement without cause by providing Franchisee with at least ninety (90) days' advance written notice, or any longer period required by law. In such event,

		Franchisor may, at its discretion, offer Franchisee compensation for tangible assets or improvements as separately agreed, but is not obligated to do so.
f. Termination by franchisor with “cause”	17.2.1	Franchisor may terminate this Agreement upon thirty (30) days’ prior written notice (or a longer period, if required by applicable law) if Franchisee fails to cure any of the following defaults within the specified cure period: Failure to timely pay any fees, royalties, or other monetary obligations due under this Agreement; Breach of any other material provision of this Agreement, including failure to meet the operational, quality, or branding standards of the UG System; Failure to maintain and submit accurate financial or operational records, including any underreporting of sales.
g. “Cause” defined – curable defaults	17.2.1	Failure to timely pay any fees, royalties, or other monetary obligations due under this Agreement; Breach of any other material provision of this Agreement, including failure to meet the operational, quality, or branding standards of the UG System; Failure to maintain and submit accurate financial or operational records, including any underreporting of sales.
h. “Cause” defined – non-curable defaults	17.2.2	Franchisor may terminate this Agreement immediately, without providing any opportunity to cure or additional notice, if Franchisee: Undergoes a prohibited change of control, including any unauthorized transfer or assignment of the franchise rights or ownership interests; Commits fraud, theft, embezzlement, or any act that Franchisor reasonably deems to harm or endanger the reputation of the UG brand or system; Is convicted of (or pleads no contest to) a felony, a crime of moral turpitude, or any criminal offense that Franchisor believes may adversely impact the UG System; Challenges or assists others in challenging Franchisor’s ownership or validity of any UG Trademarks,

		trade secrets, or other intellectual property; Abandons the franchised business (including failure to operate during normal business hours for more than five consecutive days without Franchisor's written consent); Violates non-competition or confidentiality obligations in this Agreement or otherwise misappropriates Franchisor's intellectual property; Repeatedly breaches this Agreement in a manner that, in Franchisor's discretion, demonstrates a disregard for contractual obligations or the UG System standards, regardless of whether Franchisee cures individual breaches; Procures, sells, or otherwise uses any raw materials, supplies, ingredients, or equipment from sources not approved or designated by Franchisor (or if previously approved, after Franchisor has rescinded such approval). Because consistent product quality is essential to safeguarding the UG brand's reputation and consumer trust, any such unauthorized procurement constitutes a material breach of this Agreement, entitling Franchisor to all remedies available at law or in equity, including immediate termination. Insolvency, Damage to Franchisor's Brand or Reputation, Failure to Maintain Operational Standards, Unapproved Assignments or Transfers, Repeated Breaches, Failure to Meet Development Schedule, Legal Violations, Failure to Adhere to Marketing and Advertising Guidelines, Failure to Attend or Implement Training, Engage on Political Activities, Abandonment of Business, Failure to Maintain Insurance or Licenses, Material Misrepresentations or Fraud, Unauthorized Disclosure of Confidential Information, Breach of Non-Competition Obligations, Persistent Negative Performance or Quality Issues.
i. Franchisee's obligations on termination/nonrenewal	17.3	Cease Use of Trademarks and Proprietary Materials; Discontinue all use of the UG

		Trademarks, trade names, service marks, logos, designs, and any other proprietary marks or materials associated with the UG System; Remove or obliterate all signage, advertising, stationery, websites, social media pages, or other materials bearing the UG Trademarks or any confusingly similar marks; Permanently discontinue displaying or using any uniform, packaging, or décor that identifies or is associated with the UG brand; Return Confidential and Proprietary Information; Return to Franchisor (or destroy, if instructed) all originals and copies of the Operating Manual, recipes, specifications, training materials, marketing materials, technical data, or any other confidential or proprietary information provided by Franchisor; Provide a sworn affidavit or certification, if requested, attesting that Franchisee no longer possesses or uses any materials embodying Franchisor's proprietary information; De-Identification and De-Branded Location; Promptly remove or cover all trade dress, interior and exterior signage, menus, or design elements unique to the UG brand, rendering the former UG Shop clearly distinguishable from any current or former UG Shop; Refrain from operating any business under a name or manner that might lead the public to believe it is in any way associated with the UG brand, Franchisor, or the UG System; Payment of All Outstanding Amounts; Pay in full any and all outstanding fees, royalties, advertising contributions, or other amounts due to Franchisor or its affiliates under this Agreement within the timeframe specified by Franchisor; If requested, submit an accounting of all sales and transactions through the effective date of termination or expiration, accompanied by any applicable royalty payments or other sums due; Disposition of Remaining Inventory;
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		Compliance with Post-Term Covenants (Including Non-Competition); Transfer of Telephone Listings, Domain Names, and Social Media Accounts
j. Assignment of contract by franchisor	14.1	Franchisor may assign, sell, or otherwise transfer any or all of its rights or delegate any or all of its obligations under this Agreement to a third party who agrees in writing to assume those obligations. Such assignment or transfer shall not release or discharge Franchisor from any contractual obligations that arose before the effective date of the assignment or transfer.
k. "Transfer" by franchisee – definition	14.2	Franchisee may not transfer or assign any direct or indirect interest in this Agreement without first obtaining Franchisor's prior written consent. Franchisor shall not unreasonably withhold such consent, provided that Franchisee and any proposed transferee satisfy all then-current conditions and requirements that Franchisor may establish, which may include, among other things, a transfer fee of ten thousand U.S. dollars (US\$10,000), execution of Franchisor's then-current franchise agreement (or other applicable documents), and compliance with a right of first refusal if set forth in this Agreement. If Franchisee attempts to transfer or assign its interest without obtaining Franchisor's prior written approval, Franchisor may declare such transfer void, treat it as a material breach of the Agreement, or exercise any other remedies it deems appropriate.
l. Franchisor approval of transfer by franchisee	14.2	Franchisee may not transfer or assign any direct or indirect interest in this Agreement without first obtaining Franchisor's prior written consent.
m. Conditions for franchisor approval of transfer	14.2	Franchisor shall not unreasonably withhold such consent, provided that Franchisee and any proposed transferee satisfy all then-current conditions and requirements that Franchisor may establish.

n. Franchisor's right of first refusal to acquire franchisee's business	20.11	Franchisee shall not sell, transfer, assign, or otherwise dispose of any ownership interest in the Franchised Business, or all or substantially all of its assets, without first offering to sell such interest or assets to Franchisor under the same terms and conditions as any bona fide third-party offer.
o. Franchisor's option to purchase franchisee's business	20.11	If Franchisor elects not to exercise its right of first refusal or fails to do so within the thirty (30) day period, Franchisee may complete the Proposed Transaction strictly in accordance with the terms set forth in the notice.
p. Death or disability of franchisee	20.9	In the event of the death or permanent disability of the Franchisee (or if the Franchisee is an entity, the death or permanent disability of its Principal Equity Owner), all rights and obligations under this Agreement shall continue in full force. The Franchisee's legal representative or estate must immediately notify Franchisor and ensure that a competent, qualified manager—approved by Franchisor—assumes active management of the Franchised Business. If, in Franchisor's sole judgment, the successor manager or the legal representative does not timely assume active management or is otherwise not qualified, Franchisor may, at its option, terminate this Agreement and require the Franchisee's estate or legal representative to comply with all post-termination obligations. Failure to promptly secure a competent manager or to otherwise comply with the terms of this Agreement following death or disability is deemed a material breach, entitling Franchisor to exercise any and all remedies herein.
q. Non-competition covenants during the term of the franchise	15.1	Throughout the entire term of this Agreement, Franchisee (including its owners, officers, directors, and managers) shall not directly or indirectly own, operate, manage, consult with, or otherwise participate in any business offering products or services substantially similar to

		those of UG, including tea-based beverages or related items, within the Protected Territory defined under this Agreement or within any other geographical radius that Franchisor periodically designates around existing or prospective UG Shops.
r. Non-competition covenants after the franchise is terminated or expires	15	For a period of two (2) years following the termination or expiration of this Agreement (for any reason), Franchisee shall not directly or indirectly own, operate, manage, consult with, or otherwise participate in any tea-based beverage business that competes with the UG System and is located within a three (3) mile radius of Franchisee's former UG Shop. These restrictive covenants are intended to protect Franchisor's trade secrets, confidential information, and the goodwill associated with the UG System. Any breach or threatened breach of these provisions shall entitle Franchisor to all available remedies under law or equity, including but not limited to immediate injunctive relief and/or an award of liquidated damages where specified in this Agreement.
s. Modification of the franchise agreement	19.3	No amendment, modification, or change to this Agreement shall be valid or binding unless made in writing and signed by both parties. Any oral or implied agreement or alleged promise related to this Agreement shall be of no force or effect unless it is memorialized in a written instrument executed by both parties.
t. Integration/merger clause	20.10	This Agreement (together with any exhibits, schedules, or addenda expressly incorporated herein) constitutes the entire, final, and complete agreement between the parties with respect to its subject matter, and supersedes all prior or contemporaneous discussions, representations, negotiations, understandings, or agreements, whether oral or written. Each party acknowledges and agrees that in entering into this Agreement, it has not relied on any

		representations, warranties, statements, or promises that are not expressly set forth herein. No amendment, modification, or waiver of this Agreement will be binding unless in writing and signed by both parties.
u. Dispute resolution by arbitration or mediation	18.2	If any dispute, claim, or controversy arises out of or in connection with this Agreement (including any question regarding its existence, validity, or termination), the parties shall first attempt to resolve the dispute through direct, good-faith negotiations. If they fail to reach a mutually acceptable resolution within sixty (60) days after the dispute first arises or after either party requests negotiations, the parties shall proceed to non-binding mediation in California. The mediation shall be administered by a neutral third party agreed upon by the parties, or, if they cannot agree, by a reputable mediation service selected by either party and acceptable to the other. Each party shall bear its own attorneys' fees and costs associated with the mediation, and the parties shall share equally the mediator's fees and other administrative expenses, unless otherwise agreed in writing. Mediation discussions and materials shall be treated as confidential settlement negotiations and may not be used or disclosed in any subsequent arbitration, litigation, or other proceeding except as required by law.
v. Choice of forum	18.3	Litigation must be in California. This Section is subject to state laws.
w. Choice of law	18.1	California law applies. This Section is subject to state laws.

Table for Area Development Agreement

	Provision	Section in Area Development Agreement	Summary
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a.	Length of the franchise term	1.2	The term of this Agreement shall commence on the Effective Date and, unless sooner terminated due to Area Developer's material breach, will continue for a period of five (5) years, or until terminated as provided in Article XI of this Agreement
b.	Renewal or extension of the term	1.2	There shall be no extensions or renewals of the Development Schedule unless agreed to in writing by the parties.
c.	Requirements for franchisee to renew or extend	3.7	Area Developer may renew this Agreement for one additional term of five (5) years by providing written notice at least 180 days before the Agreement's expiration.
d.	Termination by franchisee	11.1.2	If Franchisor fails to provide the mandatory training specified in this Agreement within the timeframes set forth herein (or as otherwise agreed in writing), and such failure continues for a period of thirty (30) days after written notice from Area Developer specifying the nature of the default, then Area Developer may terminate this Agreement by delivering a second written notice of termination to Franchisor, effective immediately upon receipt.
e.	Termination by franchisor without cause	None	None
f.	Termination by franchisor with cause	11.3	Franchisor may terminate this Agreement upon the occurrence Area Developer's material breach to the terms. Unless otherwise stated, Franchisor may exercise its right to terminate immediately upon giving written notice to Area Developer.
g.	"Cause" defined – curable defaults	11.3.1, 11.3.2	Area Developer violates or fails to perform any of the obligations, representations, warranties, or covenants stipulated in this Agreement and fails to cure such violations within thirty (30) days after receiving written notice from Franchisor. Failure to Make Timely Payments.
h.	"Cause" defined – non- curable defaults	11.3.3-11.3.18	Franchisor may terminate this Agreement immediately, without providing any opportunity to cure or additional notice, if Area Developer: Undergoes a prohibited change of control, including

			any unauthorized transfer or assignment of the franchise rights or ownership interests; Commits fraud, theft, embezzlement, or any act that Franchisor reasonably deems to harm or endanger the reputation of the UG brand or system; Is convicted of (or pleads no contest to) a felony, a crime of moral turpitude, or any criminal offense that Franchisor believes may adversely impact the UG System; Challenges or assists others in challenging Franchisor's ownership or validity of any UG Trademarks, trade secrets, or other intellectual property; Abandons the franchised business (including failure to operate during normal business hours for more than five consecutive days without Franchisor's written consent); Violates non-competition or confidentiality obligations in this Agreement or otherwise misappropriates Franchisor's intellectual property; Repeatedly breaches this Agreement in a manner that, in Franchisor's discretion, demonstrates a disregard for contractual obligations or the UG System standards, regardless of whether Area Developer cures individual breaches; Procures, sells, or otherwise uses any raw materials, supplies, ingredients, or equipment from sources not approved or designated by Franchisor (or if previously approved, after Franchisor has rescinded such approval). Because consistent product quality is essential to safeguarding the UG brand's reputation and consumer trust, any such unauthorized procurement constitutes a material breach of this Agreement, entitling Franchisor to all remedies available at law or in equity, including immediate termination. Insolvency, Damage to Franchisor's Brand or Reputation, Failure to Maintain Operational Standards, Unapproved Assignments or Transfers, Repeated Breaches, Failure to Meet Development Schedule, Legal Violations, Failure to Adhere to Marketing and Advertising Guidelines, Failure to Attend or Implement Training, Engage on Political Activities, Abandonment of Business, Failure to Maintain Insurance or Licenses, Material Misrepresentations or Fraud, Unauthorized Disclosure
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			of Confidential Information, Breach of Non-Competition Obligations, Persistent Negative Performance or Quality Issues.
i.	Franchisee's obligations on termination or non-renewal	8.3.1	Within 7 days of termination or expiration, Area Developer shall remove or cease using all Franchisor's trademarks and related materials at its own expense.
j.	Assignment of contract by franchisor	9.1.1	Franchisor may assign this Agreement at its sole discretion without Area Developer's consent; Area Developer waives any claims arising from such assignment.
k.	"Transfer" by franchisee – defined	9.2	Area Developer may not assign this Agreement to any entity, including an entity fully owned by Area Developer, without first obtaining Franchisor's prior written approval.
l.	Franchisor's approval of transfer by franchisee	9.2	Area Developer may not assign this Agreement to any entity, including an entity fully owned by Area Developer, without first obtaining Franchisor's prior written approval.
m.	Conditions for franchisor approval of transfer	9.2	Franchisor shall not unreasonably withhold such consent, provided that Franchisee and any proposed transferee satisfy all then-current conditions and requirements that Franchisor may establish. If Franchisor grants approval, the assignee must execute a written instrument, in a form satisfactory to Franchisor, agreeing to assume and be bound by all obligations under this Agreement. The Area Developer must provide at least thirty (30) days' prior written notice to Franchisor of the proposed transfer, along with any information Franchisor reasonably requests to evaluate the proposed assignment.
n.	Franchisor's right of first refusal to acquire franchisee's business	12.14	Franchisee shall not sell, transfer, assign, or otherwise dispose of any ownership interest in the Franchised Business, or all or substantially all of its assets, without first offering to sell such interest or assets to Franchisor under the same terms and conditions as any bona fide third-party offer. Franchisee must promptly notify Franchisor in writing of any proposed sale, transfer, or assignment (the "Proposed Transaction"), including the price, terms, and identity of the prospective

			purchaser. Upon receipt of such notice, Franchisor shall have the right, exercisable by written notice to Franchisee within thirty (30) days, to purchase the ownership interest or assets on the same or better terms. If Franchisor exercises its right of first refusal, the closing of the acquisition shall occur on a date mutually agreed upon by the parties, but in no event later than sixty (60) days after Franchisor's notice of exercise, unless otherwise agreed in writing.
o.	Franchisor's option to purchase franchisee's business	12.14	If Franchisor elects not to exercise its right of first refusal or fails to do so within the thirty (30) day period, Franchisee may complete the Proposed Transaction strictly in accordance with the terms set forth in the notice.
p.	Death or disability of franchisee	12.11	In the event of the death or permanent disability of the Franchisee (or if the Franchisee is an entity, the death or permanent disability of its Principal Equity Owner), all rights and obligations under this Agreement shall continue in full force. The Franchisee's legal representative or estate must immediately notify Franchisor and ensure that a competent, qualified manager—approved by Franchisor—assumes active management of the Franchised Business. If, in Franchisor's sole judgment, the successor manager or the legal representative does not timely assume active management or is otherwise not qualified, Franchisor may, at its option, terminate this Agreement and require the Franchisee's estate or legal representative to comply with all post-termination obligations. Failure to promptly secure a competent manager or to otherwise comply with the terms of this Agreement following death or disability is deemed a material breach, entitling Franchisor to exercise any and all remedies herein.
q.	Non-competition covenants during the term of the franchise	12.12.1	Throughout the term of this Agreement, neither Area Developer nor any of its Principal Equity Owners, officers, directors, or managers may, directly or indirectly, own, operate, manage, be employed by, consult for, advise, or otherwise engage in or assist any business that offers products, services, or concepts

			substantially similar to those offered by the Franchised Business. This prohibition applies within (a) the Protected Territory (if applicable), (b) any area within a 3-mile radius of any franchised or company-owned outlet operating under our Marks, and (c) any area in which we (or our affiliates) have publicly announced an intention to establish another outlet.
r.	Non-competition covenants after the franchise is terminated or expires	12.12.2	For a period of 2 years following the expiration or termination of this Agreement (or following the transfer of your interest in the Franchised Business, whichever is earlier), neither you nor any of your Principal Equity Owners, officers, directors, or managers may, directly or indirectly, own, operate, manage, be employed by, consult for, advise, or otherwise engage in or assist any business that offers products, services, or concepts substantially similar to those offered by the Franchised Business. This restriction shall apply within a 3-mile radius of the location of your former Franchised Business and any other franchised or company-owned outlet operating under our Marks at the time of expiration, termination, or transfer.
s.	Modification of the agreement	12.2	No change or amendment is valid unless in writing and signed by all parties
t.	Integration/merger clause	12.13	This Agreement (together with any exhibits, schedules, or addenda expressly incorporated herein) constitutes the entire, final, and complete agreement between the parties with respect to its subject matter, and supersedes all prior or contemporaneous discussions, representations, negotiations, understandings, or agreements, whether oral or written. Each party acknowledges and agrees that in entering into this Agreement, it has not relied on any representations, warranties, statements, or promises that are not expressly set forth herein. No amendment, modification, or waiver of this Agreement will be binding unless in writing and signed by both parties.
u.	Dispute resolution by arbitration or mediation	12.1, 12.2	Mediation. Before initiating arbitration, the parties shall first attempt to resolve any dispute through good-faith settlement discussions between Franchisor's executive officers and Area Developer's Principal Equity

			Owners. If unresolved, they may submit the dispute to non-binding mediation in California or another mutually agreeable venue. The parties share mediator fees equally. Arbitration. If mediation fails, the dispute shall be resolved through binding arbitration administered by a single arbitrator of the American Arbitration Association, unless both parties agree otherwise. Hearings shall be held in California or via online system. The arbitrator may not award punitive damages or declare any Franchisor Mark generic or invalid. Judgment on the award may be entered in any court of competent jurisdiction.
v.	Choice of forum		The parties hereby irrevocably consent and submit to the exclusive jurisdiction of the state and federal courts located within the State of California for any action or proceeding arising out of or relating to this Agreement. The parties expressly waive any objection based upon forum non conveniens or improper venue and further consent to service of process in accordance with the rules of such courts.
w.	Choice of law	12.1	This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its conflict of laws principles.

ITEM 18 PUBLIC FIGURES

We do not presently compensate or otherwise provide benefits to any public figure for the right to use their name, image, or likeness in connection with the promotion or sale of UG franchises. However, we reserve the right to engage such endorsements or promotional arrangements in the future, and we may pay or otherwise compensate a public figure at that time in our sole discretion. Any such relationship with a public figure, if established, will be disclosed in future amendments or updates to our Franchise Disclosure Document as required by the Federal Trade Commission Rule and applicable state laws.

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 representation about a franchisee's future financial performance or the past 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 our Chief Executive Officer, Kai Lun Cheng, UNI GREEN INC, 131 Continental Drive, Suite 301, Newark, Delaware 19713; the Federal Trade Commission; and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For years 2022 to 2024

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE
FRANCHISED	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
COMPANY- OWNED*	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
TOTAL OUTLETS	2022	0	0	0
	2023	0	0	0
	2024	0	0	0

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor)
For years 2022 to 2024

STATE	YEAR	NUMBER OF TRANSFERS
TOTAL OUTLETS	2022	0

	2023	0
	2024	0

Table No. 3
Status of Franchised Outlets
For years 2022 to 2024

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMI- NATIONS	NON- RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS- OTHER REASONS	OUTLETS AT END OF THE YEAR
TOTAL	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0

Table No. 4
Status of Company-Owned Outlets
For years 2022 to 2024

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEE	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEE	OUTLETS AT END OF THE YEAR
TOTAL	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

Table No. 5
Projected New Franchised Outlets As Of December 31, 2024

STATE	UNIT FRANCHISE AGREEMENTS SIGNED BUT OUTLETS NOT OPENED	PROJECTED NEW FRANCHISED OUTLETS IN THE NEXT FISCAL YEAR	PROJECTED NEW COMPANY- OWNED OUTLETS IN THE NEXT FISCAL YEAR
TOTAL	0	0	0

Exhibit C to this Disclosure Document provides, as of December 31, 2024, the names, addresses, and telephone numbers of all open and operating UG franchise outlets, as well as the names, addresses, and telephone numbers of all franchisees who have signed franchise agreements but have not yet opened their UG outlets.

Exhibit D to this Disclosure Document provides, as of December 31, 2024, the contact information of every franchisee whose outlet was terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to operate under a UG franchise agreement during our most recently completed fiscal year. Exhibit D also includes any franchisees who have not communicated with us within the

10 weeks preceding the date of this Disclosure Document. If you purchase a UG franchise and later leave the system, your contact information may also be disclosed in our subsequent disclosure documents.

In the past three fiscal years, we have not signed any agreements with current or former franchisees that included confidentiality clauses.

We have not created, sponsored, or endorsed any trademark-specific franchisee organization associated with the UG franchise. There are also no independent franchisee organizations that have requested to be included in this Disclosure Document.

You should review Exhibits C and D carefully and may wish to contact some of the franchisees listed. We strongly encourage you to conduct thorough due diligence, including speaking with current and former franchisees, before deciding to purchase a UG franchise.

ITEM 21 FINANCIAL STATEMENTS

Attached as Exhibit B to this Disclosure Document are our audited financial statements covering the period from November 26, 2024, through December 31, 2024. Because we have not been in business for three full years, we are unable to provide three years' worth of audited financial statements. Our fiscal year ends on December 31.

ITEM 22 CONTRACTS

Exhibit A - Franchise Agreement
Exhibit E - Area Development Agreement

ITEM 23 RECEIPTS

You will find copies of a detachable receipt in Exhibit I at the very end of this disclosure document.

FRANCHISE AGREEMENT

EXHIBIT A

FRANCHISE AGREEMENT

UG

This Non-Exclusive Franchise Agreement (this “Agreement”) is made and entered into as of the date of _____, 20__ (the “Effective Date”), by and between UNI GREEN INC, a Delaware corporation with its principal place of business at 131 Continental Drive, Suite 301, Newark, Delaware 19713 (referred to as “we,” “us,” “UG,” or the “Franchisor”), and _____, a company organized and existing under the laws of _____ with a principal place of business at _____ (referred to as “you,” “your,” or the “Franchisee”).

RECITALS

WHEREAS, we are the licensee (or owner) of certain trademarks, logos, and other intellectual property (the “UG Trademarks”), and are authorized to sub-license the UG Trademarks to third parties.

WHEREAS, we possess advanced technology, management systems, innovative product development, and knowledge relating to a unique system for the development and operation of “UG” tea shop establishments that feature distinctive beverage and food offerings, interior and exterior designs, fixtures, color schemes, and operational standards (the “UG System”).

WHEREAS, we grant certain limited rights to qualified parties for the establishment, operation, and management of tea shops bearing our UG Trademarks and following the UG System (the “Tea Shop” or “UG Shop”).

WHEREAS, you represent that you have the capacity to develop, manage, and operate a Tea Shop under the UG System at a specific site, and we are willing to grant you the right to do so under the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and undertakings contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE 1. GRANT OF FRANCHISE RIGHTS

1. As Franchisor, we have the right to establish standards and specifications (“Standards”) for various aspects of the UG System. These Standards may address site selection, physical layout, supplier qualifications, product offerings, training requirements, marketing windows, and all other elements that affect the consumer experience in any UG Shop. We may update or change these

Standards from time to time in our sole discretion. Complete uniformity may not be possible or practical throughout the UG System, and we may adapt Standards for differing local conditions.

2. You acknowledge that the success of the UG System depends on franchisees' adherence to these Standards and that your day-to-day control of the Tea Shop must be exercised to meet them. Any Standards that we require are for protecting the UG System and the UG Trademarks and do not create a fiduciary duty or a duty of care to you.

3. In reliance on your representations and warranties, we hereby grant to you, and you hereby accept, a non-exclusive right and obligation to establish and operate a single UG Shop at the location described in Article 2 (the "Site"), under our UG Trademarks and UG System, subject to all the terms and conditions of this Agreement.

ARTICLE 2. SITE OF THE TEA SHOP

1. Approved Location. The specific address of the Tea Shop is _____ (the "Site"). If, as of the Effective Date, no site has been agreed upon, you must promptly identify and propose a site for our review and approval. You must provide all documentation we request (including any lease or purchase agreement) and may not begin any construction or remodeling until we have approved the site in writing. If you fail to identify and propose an acceptable site within sixty (60) calendar days from the Effective Date, we have the right to terminate this Agreement immediately without further notice.

2. Design and Construction. You shall construct or remodel the Tea Shop at your expense, using our basic design and floor plan, subject to a Design Fee as specified in Article 3. All construction or remodeling must conform to our then-current Standards and specifications. You shall promptly perform all necessary repairs, upkeep, and routine maintenance to preserve the Tea Shop's interior and exterior appearance and functionality. This includes, but is not limited to, maintaining fixtures, furnishings, signage, décor, and equipment in good working order and replacing or upgrading them as Franchisor may reasonably require from time to time. We may request you promptly correct any deviations from our Standards; if you fail to do so, we may require further modifications at your expense.

3. Pre-Opening Inspection. Prior to the grand opening, we may assign an inspector to conduct a pre-opening inspection for up to one (1) week. We will be responsible for the inspector's salary and airfare, while you will pay for the inspector's local transportation, meals, three-stars-or-above hotel accommodations, and other reasonable expenses.

4. No Relocation. You may not relocate the Tea Shop without our express written consent. This Agreement grants you no rights to operate at any other location or to offer UG-branded products or services off-premises unless otherwise approved.

5. Protected Territory. So long as you remain in full compliance with this Agreement, if your location is deemed a “traditional” Tea Shop, we will not grant another franchise or operate a company-owned shop within your “Protected Territory,” which is defined as the smaller of (i) a 3-mile radius from your Site or (ii) the same zip code, village, city, or county as your Site. You may not engage in catering or delivery within the Protected Territory. However, non-traditional outlets (e.g., airports, large malls, stadiums, colleges or universities, schools, concert halls, food courts, hotel, resort, military installation, train station, subway station, toll roads, theme park, hospitals, and other governmental facilities, office facilities, etc.) may still be established in your Protected Territory without your consent.

6. Exceptions. The Protected Territory does not prohibit us from licensing or establishing non-traditional outlets (as defined) within the same area. All other locations that do not qualify as non-traditional are considered traditional locations.

7. Non-Exclusive License. This Agreement grants you only a single-location license. We retain the right to operate or license others to operate additional UG Shops, or other business formats, at such locations and under such terms as we see fit.

7. Permits and Compliance. You are solely responsible for obtaining all zoning clearances, permits, and approvals required for lawful construction and operation of your Tea Shop. We will provide reasonable assistance upon your request and at your reasonable cost.

8. Authorization to Open. You must not open for business until we provide written authorization, which may be withheld if you fail to meet our Standards or other prerequisites.

ARTICLE 3. FEES AND PAYMENT TERMS

1. Unit Franchise Fee: \$15,000. This fee grants you the right to operate a single UG Shop at an approved location. You must pay the entire franchise fee in a lump sum upon signing this Agreement. It is non-refundable, unless otherwise stated herein.

2. Technology Transfer Fee: \$30,000. This fee covers our mandatory initial training program for your principal operator and designated personnel. It is payable when you sign this Agreement or within a timeframe we specify.

3. Store Pre-Opening Fee: \$12,000. This fee covers on-site support prior to your UG Shop opening, including store setup guidance, initial inventory procedures, and local marketing activities. It is payable upon signing this Agreement or as otherwise specified by us.
4. Design Fee: \$3,000. This fee is for initial design services (including layout, signage, and interior design). It is due at the time of execution of this Agreement or as otherwise required.
5. Security Deposit: \$10,000. You must pay a refundable security deposit of \$10,000 within fourteen (14) days after signing this Agreement. We will hold this deposit in a non-interest-bearing account. If you fully comply with all obligations through the expiration or termination of this Agreement, the deposit (less any amounts owed to us) will be returned. If you breach this Agreement, we may draw on or retain the deposit to offset damages.
6. Royalty Fees. You shall pay a royalty of 6% of your gross monthly revenues, with a minimum royalty of \$1,200 per month. Gross monthly revenues means the total revenue from all products and services offered at the Tea Shop. The royalty fee for the previous month is due before the 10th day of the following month, along with your monthly financial statements.
7. Equipment Fee.

Franchisee shall pay an Equipment Fee of \$_____ at the time of placing the order. All payment terms, including the due date and any applicable installment arrangements, shall be agreed upon in writing between Franchisor and Franchisee. This fee is payable directly to Franchisor, and unless otherwise stated in this Agreement or required by applicable law, it is non-refundable.

8. Utensils.

Franchisee shall pay \$6,700 for Utensils at the time of placing the order. These utensils are critical for the franchise's initial operations and include any items designated by Franchisor as necessary to meet UG brand standards. Franchisee must arrange all details regarding the delivery, installation, and use of these Utensils with Franchisor or Franchisor's designated suppliers. Payment shall be remitted directly to Franchisor under terms specified herein, and this fee is generally non-refundable unless otherwise stated or required by applicable law.

9. Initial Inventory.

Franchisee is obligated to purchase an Initial Inventory of \$_____, which is payable upon placing the order. This inventory encompasses all essential goods and ingredients required for launching and sustaining the franchise's initial operations. Payment for the Initial Inventory

is made directly to Franchisor and is non-refundable except as otherwise provided in this Agreement or mandated by applicable law.

10. Other Payment Terms

10.1 Withholding Taxes. All fees are subject to reduction or withholding if required by law, provided that you give us notice and documentation of any such withholding.

10.2 Late Payments and Interest. If you fail to pay any amount when due, we may charge a late fee and interest at a rate of 5% per month or the highest rate permitted by law, whichever is higher. You must also reimburse us for all collection costs, including attorneys' fees.

ARTICLE 4. ADVERTISING

1. Local Advertising

1.1 Suggested Expenditure.

Franchisee shall spend three percent (3%) of the Gross Monthly Revenues on local advertising ("Local Advertising Expenditure"). Franchisee shall bear these costs directly for advertising and promotions in the local market.

1.2 Compliance with Guidelines.

All local advertising must comply with Franchisor's brand guidelines. Franchisor shall provide marketing and promotional designs for Franchisee's grand opening, whereas Franchisee shall be responsible for producing and paying for any physical or digital materials.

1.3 Pre-Approval of Independently Created Materials.

If Franchisee wishes to use advertising or promotional materials that it develops independently, Franchisee must submit such materials to Franchisor for prior written approval. Franchisor may deny or revoke approval at any time if it deems such materials inconsistent with the UG brand, system standards, or any other criteria.

2. Marketing Fund

2.1 Right to Establish Fund.

Franchisor reserves the right to create one in the future. If a marketing fund is established, Franchisee shall contribute approximately three percent (3%) of the Gross Monthly Revenues (or another stated percentage), payable at the same time and in the same manner as royalty fees.

2.2 Use of Contributions.

Any marketing fund Franchisor creates will not be used primarily to solicit the sale of UG franchises. Franchisor is not obliged to spend amounts equivalent or proportionate to Franchisee's marketing contributions within specific local area, nor does Franchisor guarantee Franchisee any direct or proportional benefit from any advertising campaign funded in whole or in part by the marketing fund.

2.3 Audit and Reporting.

Upon Franchisee's written request, and in accordance with applicable law, Franchisor shall provide Franchisee with an audited statement of the marketing fund's receipts and disbursements if a marketing fund is formed.

2.4 Advertising Cooperatives or Councils.

We do not currently have any advertising cooperatives or franchisee advertising councils, and we do not anticipate creating one in the near future. If we do create or authorize such cooperatives or councils in the future, your participation requirements and any related fees or procedures will be communicated to you in writing.

3. Franchisor's Independent Advertising

3.1 No Obligation to Advertise.

Franchisor is not obligated to advertise on Franchisee's behalf or in Franchisee's local market area. Any advertising Franchisor chooses to conduct is at Franchisor's sole discretion and may include methods such as online advertising, social media campaigns, print, television, or radio.

3.2 Source of Advertising Content.

Franchise-wide or regional advertising (if undertaken) will be developed by Franchisor's in-house marketing team or by an external agency approved or designated

by Franchisor. Franchisor reserves the right to determine the timing, content, placement, and overall budget allocation of all such advertising initiatives. Franchisor reserves the right to collect part of the advertising expenditure under this section from Franchisee.

ARTICLE 5. INITIAL MANDATORY TRAINING, ON-SITE SUPPORT, AND RELATED EXPENSES

1. After signing this Agreement, you must assign at least eight (8) staff members to complete 5 to 10 calendar days of initial training at your UG Shop in the United States, on a schedule we jointly determine. You bear all expenses for your trainees (including transportation, lodging, and meals) and for our trainers' local expenses, including local transportation, meals, three-stars-or-above hotel accommodations, and other reasonable costs. We will typically cover our trainers' airfare and salary for this initial program, unless otherwise stated.

2. Upon completing the initial training, we will assign a business operation consultant to assist with your pre-opening for up to 15 calendar days. We will be responsible for the consultant's salary and international airfare, while you are responsible for local costs. If we advance these costs on your behalf, you must reimburse us within seven (7) calendar days upon receiving our request.

3. After your UG Shop opens, we may, at your request, provide additional on-site consultation (e.g., quarterly). You must pay a daily fee of US\$300 per consultant (or US\$350 if you request a specific consultant), plus round-trip airfare, lodging, meals, and local transportation. All such fees and reimbursements are due within seven (7) days after our written invoice.

ARTICLE 6. OPERATION OF THE TEA SHOP

1. Opening Date

Franchisee shall open for business to the general public as a UG Tea Shop within twelve (12) months of the Effective Date of this Agreement, unless otherwise authorized by Franchisor in writing. Franchisee shall provide Franchisor with at least fifteen (15) business days' written notice of Franchisee's intended opening date. Prior to opening, Franchisee shall ensure that all necessary approvals, licenses, and inspections have been obtained, and that all pre-opening requirements specified by Franchisor have been satisfied.

2. Compliance with Standards

Franchisee agrees to operate the UG Shop strictly in accordance with Franchisor's established standards, which shall include but not be limited to:

2.1 Operating Hours

Franchisee shall maintain and observe the specific days and hours of operation mandated or approved by Franchisor. Except where the UG Shop is rendered unable to operate normally due to power outages, water outages, accidents, or other force majeure events, the UG Shop must not cease operations without cause. In the event of any such force majeure event, Franchisee shall promptly notify the Franchisor following its occurrence and shall make every effort to adopt remedial measures.

2.2. Approved Equipment and Fixtures

Franchisee shall use only the furniture, equipment, signage, décor, and other fixtures designated or approved by Franchisor. Any non-conforming items must be removed or replaced at Franchisee's expense upon Franchisor's notice.

2.3. Inventory and Supplies

Franchisee shall maintain a sufficient stock of Franchisor-approved products and ingredients to meet customer demand. Inventory levels shall be replenished promptly to ensure consistent availability of all required offerings.

2.4. Staffing and Training

Franchisee is responsible for hiring individuals of good character and ensuring that all employees receive adequate training regarding UG service standards, product preparation, and customer service. Franchisee shall employ sufficient staff to provide timely and courteous service during all operating hours.

2.5. Health, Safety, and Sanitation

Franchisee shall comply fully with all health, safety, and sanitation guidelines set forth by Franchisor, as well as with any applicable local, state, or federal regulations. All equipment and customer-facing areas shall be maintained in a clean, orderly, and hazard-free condition.

2.6. Marketing and Promotions

Franchisee shall conduct all marketing campaigns, promotions, and special events as directed or recommended by Franchisor, without material deviation, unless Franchisor provides written consent for any proposed alternative.

3. Legal Compliance

Franchisee must operate the UG Shop in strict compliance with all applicable laws, regulations, and ordinances, including but not limited to zoning, building codes, public health mandates, and occupational safety standards. Franchisee shall promptly secure and maintain all required permits and licenses necessary for lawful operation.

4. Point of Sale System

Franchisee shall install and maintain a Point of Sale (POS) system that meets Franchisor's technical specifications and operational requirements. Prior to commencing operations, Franchisee shall submit POS configuration details for Franchisor's written approval. Franchisee is responsible for all costs related to hardware, software, upgrades, and ongoing maintenance. Franchisor reserves the right to mandate system enhancements if deemed necessary for uniformity or data accuracy within the UG System.

In the event Franchisee fails to comply with any obligations set forth in this Agreement, Franchisor shall have the right, at its sole discretion and without prior notice, to immediately suspend the Franchisee's access to the POS system and the software system of any equipment. Such suspension shall remain in effect until Franchisor determines, in its sole discretion, that Franchisee has remedied all curable defaults to the Franchisor's satisfaction. Franchisee shall remain responsible for all obligations under this Agreement during any such suspension. Franchisor shall bear no liability for any losses, damages (including consequential or incidental damages), or interruptions to Franchisee's business resulting from the suspension, and all other rights and remedies of the Franchisor under this Agreement, or at law or in equity, shall remain reserved.

5. Inspection Rights

Franchisor and its authorized representatives may enter the UG Shop during normal business hours to assess Franchisee's compliance with this Agreement and the Standards. 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. Such inspections may be scheduled or unscheduled. If any non-compliant items, procedures, or conditions are identified, Franchisee shall rectify them immediately at Franchisee's sole expense. Should Franchisee fail to do so, Franchisor may remove or replace the offending items or practices at Franchisee's cost, payable within ten (10) days of invoice.

6. Pricing

Where legally permissible, Franchisor may recommend or require specific price points (including maximum, minimum, or promotional prices) for certain products or services offered by the UG Shop. Franchisee acknowledges that adherence to such pricing guidelines is essential for brand consistency and system-wide marketing initiatives. Franchisee further recognizes that such guidelines do not guarantee profitability in every local market scenario.

7. Employment Matters

Franchisee is solely responsible for all aspects of employment, including hiring, compensation, benefits, insurance, payroll taxes, employment eligibility verification, training, discipline, and termination. Franchisee shall at all times comply with applicable federal, state, and local labor and employment laws and regulations.

8. Uniforms

All front-of-house personnel, and such other personnel as Franchisor may designate, shall wear UG-approved uniforms. Franchisor may impose a penalty of one hundred U.S. dollars (US\$100) per employee, per day, for uniform violations. Uniform specifications may change from time to time, and Franchisee shall adopt any such changes within a reasonable timeframe at Franchisee's expense.

9. Approved Suppliers

Franchisor retains the exclusive right to approve or disapprove any supplier from whom Franchisee may procure products, supplies, equipment, or services for the UG Shop. Franchisee must purchase all items exclusively from suppliers that Franchisor has approved or designated. Any deviation from this requirement constitutes a material breach, subjecting Franchisee to liquidated damages of twenty thousand dollars (\$20,000) per violation, in addition to any other remedies permitted by this Agreement or law.

10. Customer Complaints and Regulatory Notices

Franchisee shall promptly inform Franchisor of any significant customer complaints, threatened or filed lawsuits, regulatory notices, or other governmental inquiries related to the UG Shop. Franchisee shall cooperate fully with Franchisor in investigating and addressing such complaints or notices and shall implement any corrective or remedial actions Franchisor deems necessary. If Franchisee becomes aware of any negative information regarding Franchisor or

the franchised store's reputation or quality, Franchisee shall investigate the cause and report it to Franchisor. If there is any proposed solution, Franchisee must also report it to Franchisor and obtain Franchisor's approval before proceeding. Without Franchisor's consent, Franchisee shall not publicly issue any comments in the name of the franchise system.

11. Maintenance

Franchisee shall keep the UG Shop in a clean, orderly, and attractive condition, and shall timely repair or replace any items that fail to meet Franchisor's Standards. This maintenance obligation extends to both interior and exterior areas of the premises, including but not limited to furniture, fixtures, equipment, signage, and décor.

12. Remodeling Requirement

Franchisee acknowledges the importance of maintaining the UG System's uniform brand image and agrees that Franchisor shall have the sole and absolute discretion to require the remodeling, refurbishing, or upgrading of each Tea Shop to align with the then-current image, brand standards, and marketing strategies of the UG System. Franchisee shall complete any such remodeling at its own cost and expense, in accordance with Franchisor's design specifications and within the deadlines set forth by Franchisor.

Franchisor shall provide Franchisee with reasonable notice of required remodeling, specifying the scope of work and the timeline for completion. Franchisee shall diligently commence the remodeling work upon receipt of such notice and shall ensure that all work is completed to Franchisor's satisfaction by the prescribed deadline. Failure to complete the remodeling as required shall constitute a material breach of this Agreement. In addition to any other rights or remedies provided under this Agreement or applicable law, Franchisor may (i) suspend the Franchisee's rights under this Agreement, (ii) undertake or contract to perform the remodeling on Franchisee's behalf at Franchisee's expense (including the right to charge an administrative or project management fee), and/or (iii) exercise all other remedies available at law or in equity.

Franchisee further agrees that Franchisor shall not be liable for any loss of business, interruption of operations, or additional expenses incurred by Franchisee during or resulting from the remodeling process. Franchisee shall not make or permit any changes to the design specifications without obtaining Franchisor's prior written approval. Any such unauthorized modifications shall likewise be deemed a material breach of this Agreement, entitling Franchisor to pursue all available remedies.

13. Feedback and Improvements

If Franchisee or any of Franchisee's employees conceive or develop any ideas, methods, recipes, processes, or other innovations that relate to the UG System ("Improvements"), Franchisee hereby grants Franchisor a perpetual, worldwide, royalty-free license to use, implement, sublicense, and exploit such Improvements for the benefit of the UG System. Franchisee acknowledges that no compensation shall be due or owing for any Improvements adopted by Franchisor, and all goodwill generated thereby shall inure to Franchisor's benefit.

ARTICLE 7. UG TRADEMARKS AND INTELLECTUAL PROPERTY

1. Franchisee agrees to use only those UG Trademarks (including names, logos, service marks, and associated branding) that Franchisor specifies, and strictly in the form, manner, and context that Franchisor has approved in writing. Franchisee may not modify, distort, or misuse the UG Trademarks, nor may Franchisee combine or co-brand them with any other trademark, logo, name, or identifier without Franchisor's express prior written consent. Franchisee may not offer or sell any UG-branded products or services via catalogs, the Internet, social media, or other remote channels without Franchisor's prior written authorization. Franchisor retains exclusive control over all online usage of the UG Trademarks, including domain names, social media handles, and any digital or electronic presence.
2. Franchisee acknowledges that the UG Trademarks are owned solely by Franchisor or its affiliates, and that all goodwill arising from Franchisee's use of them inures exclusively to Franchisor's benefit. Franchisee will not register, attempt to register, or otherwise claim rights in any mark, trade name, domain name, or entity name that is identical or confusingly similar to the UG Trademarks. Franchisee also agrees not to use the name "UG" (or Franchisor's company name, any variation thereof, or any similar terms) in Franchisee's corporate, partnership, limited liability company, fictitious, or assumed business names, or in any manner that may create the false impression that Franchisee is anything other than an independently owned and operated franchisee.
3. Franchisee must immediately comply with any direction from Franchisor regarding the use, display, discontinuance, or modification of the UG Trademarks, including removing or destroying any materials Franchisor deems unacceptable, at Franchisee's expense. Any unauthorized or improper use of the UG Trademarks constitutes a material breach of this Agreement, entitling Franchisor, at its sole discretion and without limiting other available remedies, to seek immediate injunctive relief, terminate this Agreement, and/or require Franchisee to pay damages for harm to Franchisor's brand and goodwill.
4. Franchisee must immediately notify Franchisor of any potential infringement or litigation involving the UG Trademarks. Franchisor shall have the sole and absolute right to direct, control, and settle any litigation, dispute, or other proceeding relating to its intellectual property.

Franchisee agrees to cooperate fully, at its own expense, in any action taken by Franchisor to protect or defend its rights in the UG Trademarks.

5. Except as otherwise expressly provided in this Agreement, Franchisee shall not at any time represent or claim any right, title, or interest in or to the licensed trademarks and shall not engage in any act that could impair the rights associated with such trademarks. Franchisee shall also refrain from infringing Franchisor's copyrights, trademark rights, patent rights, and any other intellectual property rights or other legal rights and shall not cause or allow any third party to do so.
6. Without the prior written consent of Franchisor, Franchisee shall neither relicense nor otherwise authorize any third party to use Franchisor's trademarks. In the event Franchisee infringes upon the rights of the Franchisor or any third party, thereby causing damage to Franchisor or its employees, agents, or affiliates, Franchisee agrees to indemnify and hold the Franchisor harmless from any and all such damage, loss, or liability.

ARTICLE 8. SOURCES OF RAW MATERIALS AND SUPPLIES

1. The high reputation of UG depends on consistent product quality. Franchisee must purchase all equipment, food, supplies, and materials solely from suppliers that Franchisor approves or designates. Franchisor reserves the right, in its sole discretion, to modify or rescind any supplier's approval at any time, and Franchisee or the proposed supplier must reimburse Franchisor for any testing or evaluation costs incurred in determining whether a supplier meets Franchisor's standards.
2. Franchisor may, at its option, sell certain proprietary or specialized items (including, but not limited to, tea blends or syrups) directly to Franchisee, or require Franchisee to obtain them from designated or approved vendors. Any violation of this requirement is a material breach of the Agreement, and Franchisee must pay liquidated damages of twenty thousand dollars (\$20,000) for each violation.

ARTICLE 9. BOOKS, RECORDS, AND REPORTS

1. Franchisee must maintain complete and accurate business, financial, and operational records in accordance with generally accepted accounting principles (GAAP) and any additional recordkeeping standards or procedures required by Franchisor. At a minimum, Franchisee shall retain these records (including electronic records) for no less than two (2) years or for any longer period that may be mandated by applicable law or Franchisor's written policies. These records include, but are not limited to, sales journals, financial statements, invoices, purchase orders, cash register receipts, bank statements, sales tax returns, and any other documents reflecting the revenue and expenses of the Franchised Business.

2. Franchisee must promptly provide copies of any records requested by Franchisor or, at Franchisor's option, make them available for on-site inspection and audit at a location and in a format acceptable to Franchisor. Franchisor or its designated representatives (including accountants or auditors) may conduct unannounced audits of Franchisee's records during reasonable business hours, without undue disruption to Franchisee's operations, to verify compliance with this Agreement.

3. Reporting, Audit, and Underreporting

(a) Daily Sales Reporting

Franchisee shall accurately record and report its daily gross revenues and any other relevant financial data to the Franchisor in the manner and format required by the Franchisor. Such reports shall be submitted every day, or as otherwise directed by the Franchisor in writing.

(b) Right to Audit and Inspect

The Franchisor (or its authorized representatives) shall have the right, at any reasonable time and upon reasonable notice, to inspect, audit, and review all books, records, and accounts of the Franchisee that are necessary to verify the Franchisee's gross revenues, calculation of royalty fees, and compliance with this Agreement.

(c) Underreporting of Gross Revenues or Other Financial Data

If any audit, inspection, or review reveals an understatement of gross revenues or any other financial data relevant to determining fees owed, the Franchisee shall pay Franchisor all additional royalties or other amounts due within five (5) days of receiving written notice of the underreporting. Any such amounts shall accrue interest at the rate set forth in this Agreement (or, if not specified, the maximum rate allowed by applicable law) from the date they were originally due until paid in full.

(d) Costs of Audit for Significant Underreporting

If the underreporting exceeds three percent (3%) of the actual gross revenues for any given period, the Franchisee shall also reimburse Franchisor for all reasonable costs and expenses of the audit or review, including, but not limited to, accountants' fees, attorneys' fees, and any other related expenses.

(e) Sanctions and Remedies

In addition to any other remedies available under this Agreement or at law, Franchisor may impose any sanctions or seek any remedies permitted by this Agreement. This includes the right to immediately terminate the Agreement if Franchisor determines that a pattern of underreporting, fraud, or other willful misconduct by the Franchisee exists.

(f) Cumulative Rights

All rights and remedies provided to Franchisor in this Section are cumulative and in addition to any other rights or remedies that may be available under this Agreement, at law, or in equity.

4. Franchisor will use commercially reasonable efforts to maintain the confidentiality of Franchisee's business and financial records. Notwithstanding the foregoing, Franchisor may disclose or use such records as necessary to enforce this Agreement, comply with applicable law or legal process, or for anonymized or aggregated reporting within the UG System.

ARTICLE 10. INSURANCE

Before opening, you must obtain and maintain insurance coverage meeting our minimum requirements, including commercial general liability insurance of at least US\$2,000,000 per occurrence (or any higher limit we or your landlord require). Failure to maintain valid insurance is a material breach and may lead to immediate termination.

We have the right to change coverage requirements from time to time. All insurance policies must list us as an additional insured. You must provide proof of coverage upon our request.

ARTICLE 11. FRANCHISEE REPRESENTATIONS AND WARRANTIES

You agree to defend, indemnify, and hold us (including our successors and assigns) harmless from any claims, liabilities, costs, or damages (including attorneys' fees) related to your breach of this Agreement or your operation of the UG Shop, including employment disputes, personal injuries, regulatory fines, or other liabilities arising from your acts or omissions.

ARTICLE 12. FRANCHISOR'S OBLIGATIONS

1. Continuing Advisory Relationship

Franchisor will endeavor to maintain a continuing advisory relationship with Franchisee and, at its discretion, may offer support, guidance, or resources that it considers beneficial to the

establishment and operation of the UG Shop. Such assistance may include, without limitation, general suggestions or recommendations related to site selection, store design, build-out, initial or ongoing training, marketing approaches, inventory management, and other aspects of the UG System. The nature, scope, and frequency of any advisory support are subject to Franchisor's discretion and may vary based on overall system goals, available resources, and evolving business priorities.

2. Operations Manual and Standards

Franchisor may periodically update, supplement, or modify written materials, including its operations manual and any related guidelines or standards for operating UG Shops. Franchisee agrees to review and abide by all current and future versions of these materials. While Franchisor may provide suggestions or guidance on operational matters, Franchisee remains solely responsible for making all final business decisions, incurring any associated expenses, and ensuring compliance with this Agreement, applicable law, and the UG System's requirements.

ARTICLE 13. TERM AND RENEWAL

1. Term

This Agreement becomes effective on the date indicated below ("Effective Date") and remains in force for a period of five (5) years, unless terminated earlier as provided herein. At the conclusion of this five-year term, the Agreement shall automatically expire without further notice if not renewed in accordance with the procedures and conditions set forth below.

2. Renewal

Franchisee may seek to renew this Agreement once for an additional five (5) years, provided Franchisee delivers a written renewal request to Franchisor at least twelve (12) months prior to the expiration of the initial term and satisfies all then-current renewal criteria. These criteria may include, among other things, executing Franchisor's most recent form of franchise agreement and associated documents, paying the renewal fee of \$_____, being free of any uncured defaults under this Agreement, having maintained compliance with all UG System Standards, and completing additional training or upgrades that Franchisor deems necessary. If Franchisee fails to meet any of the required conditions, or if Franchisor elects not to permit renewal for any reason permitted by law or this Agreement, the Agreement shall expire as scheduled, and Franchisee shall have no further rights or claims hereunder.

ARTICLE 14. ASSUMPTION AND TRANSFER OF RIGHTS

1. Transfers by Franchisor

Franchisor may assign, sell, or otherwise transfer any or all of its rights or delegate any or all of its obligations under this Agreement to a third party who agrees in writing to assume those obligations. Such assignment or transfer shall not release or discharge Franchisor from any contractual obligations that arose before the effective date of the assignment or transfer.

2. Transfers by Franchisee

(a) Because this Agreement is entered into in reliance on Franchisee's individual qualifications, ownership structure, and capacity to operate the franchised business, Franchisee may not transfer or assign any direct or indirect interest in this Agreement without first obtaining Franchisor's prior written consent. Franchisor shall not unreasonably withhold such consent, provided that Franchisee and any proposed transferee satisfy all then-current conditions and requirements that Franchisor may establish, which may include, among other things, a transfer fee of ten thousand U.S. dollars (US\$10,000), execution of Franchisor's then-current franchise agreement (or other applicable documents), and compliance with a right of first refusal if set forth in this Agreement. If Franchisee attempts to transfer or assign its interest without obtaining Franchisor's prior written approval, Franchisor may declare such transfer void, treat it as a material breach of the Agreement, or exercise any other remedies it deems appropriate.

(b) Right of First Refusal to Acquire Franchisee's Business

Franchisee shall not sell, transfer, assign, or otherwise dispose of any ownership interest in the Franchised Business, or all or substantially all of its assets, without first offering to sell such interest or assets to Franchisor under the same terms and conditions as any bona fide third-party offer. Franchisee must promptly notify Franchisor in writing of any proposed sale, transfer, or assignment (the "Proposed Transaction"), including the price, terms, and identity of the prospective purchaser. Upon receipt of such notice, Franchisor shall have the right, exercisable by written notice to Franchisee within thirty (30) days, to purchase the ownership interest or assets on the same or better terms. If Franchisor exercises its right of first refusal, the closing of the acquisition shall occur on a date mutually agreed upon by the parties, but in no event later than sixty (60) days after Franchisor's notice of exercise, unless otherwise agreed in writing.

If Franchisor elects not to exercise its right of first refusal or fails to do so within the thirty (30) day period, Franchisee may complete the Proposed Transaction strictly in

accordance with the terms set forth in the notice. If the Proposed Transaction is not consummated on those same terms (or within ninety (90) days from the date Franchisor declines or fails to respond), or if the material terms of the Proposed Transaction change, Franchisee must again comply with this Right of First Refusal before proceeding with any sale, transfer, or other disposition of the Franchised Business.

ARTICLE 15. NON-COMPETITION

1. During the Term.

Throughout the entire term of this Agreement, Franchisee (including its owners, officers, directors, and managers) shall not directly or indirectly own, operate, manage, consult with, or otherwise participate in any business offering products or services substantially similar to those of UG, including tea-based beverages or related items, within the Protected Territory defined under this Agreement or within any other geographical radius that Franchisor periodically designates around existing or prospective UG Shops.

2. Post-Term.

For a period of two (2) years following the termination or expiration of this Agreement (for any reason), Franchisee shall not directly or indirectly own, operate, manage, consult with, or otherwise participate in any tea-based beverage business that competes with the UG System and is located within a three (3) mile radius of Franchisee's former UG Shop. These restrictive covenants are intended to protect Franchisor's trade secrets, confidential information, and the goodwill associated with the UG System. Any breach or threatened breach of these provisions shall entitle Franchisor to all available remedies under law or equity, including but not limited to immediate injunctive relief and/or an award of liquidated damages where specified in this Agreement.

ARTICLE 16. CONFIDENTIALITY

1. Definition and Use of Confidential Information

All proprietary methods, formulas, recipes, manuals, marketing strategies, and other trade secrets developed or used by Franchisor in relation to the UG System (collectively, "Confidential Information") are the sole property of Franchisor. Franchisee may access and use this Confidential Information strictly for the operation of the UG Shop during the term of this Agreement, subject to the restrictions herein.

2. Post-Term Restrictions and Liquidated Damages

During the term of this Agreement and for a period of two (2) years following its expiration or termination (for any reason), neither Franchisee nor any of its owners, officers, employees, or associates may disclose, copy, transmit, or otherwise misuse any portion of the Confidential Information. Any unauthorized disclosure or use of Confidential Information constitutes a material breach of this Agreement and may subject Franchisee to liquidated damages in the amount of ten thousand dollars (\$10,000) per violation, plus any profits or other benefits derived from such misuse, and without limiting Franchisor's right to seek other remedies (including injunctive relief) as permitted by law or equity.

ARTICLE 17. TERMINATION

1. Mutual or Automatic Termination

This Agreement may end by mutual written consent of both parties at any time. It will also terminate automatically upon the expiration of its then-current term if a valid renewal has not been executed in accordance with the terms stated in this Agreement. Additionally, Franchisee may terminate the Agreement in the event that Franchisor fails to provide the training mandated under the Agreement.

2. Termination by Franchisor

2.1. Termination for Cause (With Notice and Opportunity to Cure).

Franchisor may terminate this Agreement upon thirty (30) days' prior written notice (or a longer period, if required by applicable law) if Franchisee fails to cure any of the following defaults within the specified cure period:

- 2.1.1. Failure to timely pay any fees, royalties, or other monetary obligations due under this Agreement.
- 2.1.2. Breach of any other material provision of this Agreement, including failure to meet the operational, quality, or branding standards of the UG System.
- 2.1.3. Failure to maintain and submit accurate financial or operational records, including any underreporting of sales.
- 2.1.4. Failure to inform Franchisor regarding the location of the shop within 30 days after executing the Agreement.

2.2 Immediate Termination for Cause (No Opportunity to Cure).

Franchisor may terminate this Agreement immediately, without providing any opportunity to cure or additional notice, if Franchisee:

- 2.2.1. Undergoes a prohibited change of control, including any unauthorized transfer or assignment of the franchise rights or ownership interests.
- 2.2.2. Commits fraud, theft, embezzlement, or any act that Franchisor reasonably deems to harm or endanger the reputation of the UG brand or system.
- 2.2.3. Is convicted of (or pleads no contest to) a felony, a crime of moral turpitude, or any criminal offense that Franchisor believes may adversely impact the UG System.
- 2.2.4. Challenges or assists others in challenging Franchisor's ownership or validity of any UG Trademarks, trade secrets, or other intellectual property.
- 2.2.5. Abandons the franchised business (including failure to operate during normal business hours for more than five consecutive days without Franchisor's written consent).
- 2.2.6. Violates non-competition or confidentiality obligations in this Agreement or otherwise misappropriates Franchisor's intellectual property.
- 2.2.7. Repeatedly breaches this Agreement in a manner that, in Franchisor's discretion, demonstrates a disregard for contractual obligations or the UG System standards, regardless of whether Franchisee cures individual breaches.
- 2.2.8. Procures, sells, or otherwise uses any raw materials, supplies, ingredients, or equipment from sources not approved or designated by Franchisor (or if previously approved, after Franchisor has rescinded such approval). Because consistent product quality is essential to safeguarding the UG brand's reputation and consumer trust, any such unauthorized procurement constitutes a material breach of this Agreement, entitling Franchisor to all remedies available at law or in equity, including immediate termination.
- 2.2.9. Insolvency or Legal Proceedings.

Franchisee becomes insolvent or enters into dissolution, liquidation, bankruptcy, or company reorganization. Likewise, the Agreement may be terminated if a court or government order substantially impedes Franchisee's business operations.

2.2.10. Damage to Franchisor's Brand or Reputation.

Franchisee engages in any act or omission (including illegal or unethical conduct) that harms or has the potential to harm Franchisor's public image, brand, trademarks, or goodwill. Negative publicity or legal issues resulting from Franchisee's actions may justify immediate termination.

2.2.11. Failure to Maintain Operational Standards.

Franchisee fails to conform to Franchisor's operational, product quality, customer service, or branding standards. If not corrected within thirty (30) days of notice, Franchisor may terminate.

2.2.12. Unapproved Assignments or Transfers.

Franchisee transfers, assigns, or encumbers its rights under this Agreement without Franchisor's prior written consent, constituting grounds for immediate termination.

2.2.13. Repeated Breaches.

Even if Franchisee cures individual breaches, Franchisor may terminate if multiple breaches occur (or reoccur) within any twelve (12) month period, reflecting a pattern of non-compliance.

2.2.14. Legal Violations.

Franchisee is found to be in breach of local, national, or international laws or regulations that adversely affect Franchisor's interests or the Franchisee's ability to operate the franchise.

2.2.16. Failure to Adhere to Marketing and Advertising Guidelines.

Franchisee does not comply with Franchisor's marketing, advertising, or social media guidelines, including failing to obtain prior written approval for

promotional materials. Repeated non-compliance after notice may lead to termination.

2.2.17. Failure to Attend or Implement Training.

Franchisee neglects to send required personnel for training or fails to implement Franchisor's required protocols. If not cured within thirty (30) days, Franchisor may terminate.

2.2.18. Prohibition on Political Activities.

Franchisee engages in or endorses political activities in violation of the Agreement, including making political commentary under the brand name. Such actions constitute a material breach warranting immediate termination.

2.2.19. Abandonment of Business.

Franchisee ceases to operate any franchised store for more than five (5) consecutive days (except in force majeure circumstances) or otherwise abandons its obligations without Franchisor's written consent.

2.2.20. Failure to Maintain Insurance or Licenses.

Franchisee does not obtain or maintain in full force any insurance coverage or business licenses required by this Agreement or local laws. If Franchisee does not rectify the lapse within fifteen (15) days of receiving notice, Franchisor may terminate immediately.

2.2.21. Material Misrepresentations or Fraud.

Franchisee or its Principal Equity Owners make any false statements, conceal material facts in dealing with Franchisor, or otherwise commit fraud, whether in financial reporting, operations, or other areas related to the franchise business.

2.2.22. Unauthorized Disclosure of Confidential Information.

Franchisee or its Principal Equity Owners disclose or misuse any of Franchisor's confidential information (including trade secrets, recipes, manuals,

or business strategies) in violation of the Agreement or any separate confidentiality obligations.

2.2.23. Breach of Non-Competition Obligations.

Franchisee or its Principal Equity Owners engage in competitive business activities contrary to the Agreement's non-compete provisions (e.g., investing in or operating a directly competing concept), which may result in immediate termination.

2.2.24. Persistent Negative Performance or Quality Issues.

Franchisee repeatedly fails to meet minimal quality, customer service, or financial benchmarks established by Franchisor (in writing), despite receiving notice and an opportunity to improve. Continuing substandard performance indicates a material breach, justifying termination.

2.2.25. Termination Without Cause.

Subject to applicable law, Franchisor may terminate this Agreement without cause by providing Franchisee with at least ninety (90) days' advance written notice, or any longer period required by law. In such event, Franchisor may, at its discretion, offer Franchisee compensation for tangible assets or improvements as separately agreed, but is not obligated to do so.

3. Franchisee's Obligations Upon Termination or Non-Renewal

Upon the termination or expiration (without renewal) of this Agreement, Franchisee shall immediately comply with all post-termination obligations. These obligations exist regardless of the reason for termination or non-renewal and are essential to protect Franchisor's intellectual property, goodwill, and the integrity of the UG System. Franchisee agrees to:

3.1. Cease Use of Trademarks and Proprietary Materials.

3.1.1. Discontinue all use of the UG Trademarks, trade names, service marks, logos, designs, and any other proprietary marks or materials associated with the UG System.

3.1.2. Remove or obliterate all signage, advertising, stationery, websites, social media pages, or other materials bearing the UG Trademarks or any confusingly similar marks.

3.1.3. Permanently discontinue displaying or using any uniform, packaging, or décor that identifies or is associated with the UG brand.

3.2. Return Confidential and Proprietary Information.

3.2.1. Return to Franchisor (or destroy, if instructed) all originals and copies of the Operations Manual, recipes, specifications, training materials, marketing materials, technical data, or any other confidential or proprietary information provided by Franchisor.

3.2.2 Provide a sworn affidavit or certification, if requested, attesting that Franchisee no longer possesses or uses any materials embodying Franchisor's proprietary information.

3.3. De-Identification and De-Branded Location.

3.3.1. Promptly remove or cover all trade dress, interior and exterior signage, menus, or design elements unique to the UG brand, rendering the former UG Shop clearly distinguishable from any current or former UG Shop.

3.3.2. Refrain from operating any business under a name or manner that might lead the public to believe it is in any way associated with the UG brand, Franchisor, or the UG System.

3.4. Payment of All Outstanding Amounts.

3.4.1 Pay in full any and all outstanding fees, royalties, advertising contributions, or other amounts due to Franchisor or its affiliates under this Agreement within the timeframe specified by Franchisor.

3.4.2. If requested, submit an accounting of all sales and transactions through the effective date of termination or expiration, accompanied by any applicable royalty payments or other sums due.

3.5. Disposition of Remaining Inventory.

3.5.1. At Franchisor's option, either (a) cease using all proprietary or branded inventory and supplies bearing UG marks or trade dress, or (b) sell them to Franchisor at a fair market or depreciated value if Franchisor so elects in writing.

3.5.2. Destroy, at Franchisee's sole expense, any branded inventory that cannot be returned to or repurchased by Franchisor.

3.6. Compliance with Post-Term Covenants (Including Non-Competition).

Honor all post-term non-competition and non-solicitation obligations as set forth in this Agreement, including refraining from operating or having any interest in a substantially similar tea or beverage business within the restricted territory and/or time period identified in the Agreement.

3.7. Transfer of Telephone Listings, Domain Names, and Social Media Accounts.

3.7.1. Immediately cancel, abandon, or transfer (at Franchisor's election) any telephone number, domain name, social media handle, or similar listing associated with the UG brand or Franchisor.

3.7.2. Provide any and all necessary authorizations or consents to ensure that all future inquiries about the UG brand are directed to Franchisor or its designee.

3.8. Inspection and Verification.

3.8.1. Allow Franchisor or its representatives the right to inspect the former UG Shop premises or Franchisee's records to ensure full compliance with post-termination obligations.

3.8.2 Provide reasonable access and cooperation for Franchisor to verify that de-identification and de-branding is complete and that no unauthorized use of the UG brand remains.

3.9. Indemnification and Survival.

3.9.1. Indemnify Franchisor for any claims, liabilities, costs, or damages arising from or relating to Franchisee's unauthorized use of the UG Trademarks or System after termination or non-renewal.

- 3.9.2 Acknowledge that certain provisions, including but not limited to indemnification, non-competition, and confidentiality obligations, survive termination or expiration of this Agreement according to their terms.

Franchisor's acceptance of any payments from Franchisee after termination or non-renewal does not constitute a waiver of any rights or remedies available under this Agreement or applicable law. Franchisee's strict and timely compliance with these obligations is a condition precedent to any further dealings between the parties and is necessary to protect Franchisor's rights and the UG System's integrity.

ARTICLE 18. DISPUTE RESOLUTION

1. Governing Law

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California (or as otherwise mandated by applicable state law), without regard to its conflict-of-laws principles. The parties expressly exclude the application of the United Nations Convention on Contracts for the International Sale of Goods. Each party acknowledges that certain provisions of this Agreement may be subject to the California Franchise Investment Law or other applicable franchise or business laws, and both parties agree to comply with all such laws and regulations to the extent they apply to this contractual relationship.

2. Mediation

If any dispute, claim, or controversy arises out of or in connection with this Agreement (including any question regarding its existence, validity, or termination), the parties shall first attempt to resolve the dispute through direct, good-faith negotiations. If they fail to reach a mutually acceptable resolution within sixty (60) days after the dispute first arises or after either party requests negotiations, the parties shall proceed to non-binding mediation in California. The mediation shall be administered by a neutral third party agreed upon by the parties, or, if they cannot agree, by a reputable mediation service selected by either party and acceptable to the other. Each party shall bear its own attorneys' fees and costs associated with the mediation, and the parties shall share equally the mediator's fees and other administrative expenses, unless otherwise agreed in writing. Mediation discussions and materials shall be treated as confidential settlement negotiations and may not be used or disclosed in any subsequent arbitration, litigation, or other proceeding except as required by law.

3. Arbitration

If mediation fails, the dispute shall be resolved through binding arbitration administered by a single arbitrator of the American Arbitration Association, unless both parties agree otherwise. Hearings shall be held in California or via online system. The arbitrator may not award punitive damages or declare any UG Trademark generic or invalid. Judgment on the award may be entered in any court of competent jurisdiction.

ARTICLE 19. WAIVER / INTEGRATION

1. No waiver by either party of any breach or default by the other, whether deliberate or inadvertent, shall be deemed a waiver of any subsequent breach or default of the same or different nature, nor shall any delay or omission by a party in exercising or enforcing any of its rights or remedies operate as a waiver thereof. Any waiver granted by a party shall be effective only if in writing and signed by its duly authorized representative.
2. This Agreement, including any attached exhibits, addenda, or schedules, constitutes the entire agreement between the parties concerning the matters addressed herein. It supersedes and replaces all prior and contemporaneous discussions, understandings, negotiations, representations, or agreements—whether written or oral—relating to the same subject matter. Notwithstanding anything to the contrary, Franchisor does not disclaim any representations made in the Franchise Disclosure Document (“FDD”) that was provided to Franchisee in accordance with applicable law.
3. No amendment, modification, or change to this Agreement shall be valid or binding unless made in writing and signed by both parties. Any oral or implied agreement or alleged promise related to this Agreement shall be of no force or effect unless it is memorialized in a written instrument executed by both parties.

ARTICLE 20. MISCELLANEOUS

1. Force Majeure

Neither party will be liable for any inability or delay in performing its obligations under this Agreement if the failure or delay results from circumstances beyond its reasonable control, including but not limited to acts of God, natural disasters, governmental actions, labor disputes, or other events of a similar nature (“Force Majeure”). However, Force Majeure does not excuse Franchisee’s obligation to make timely payments of any fees or amounts due under this Agreement.

2. Independent Contractors

Franchisee and Franchisor are and shall remain independent contractors. Nothing in this Agreement shall be deemed to create a partnership, joint venture, fiduciary relationship, or principal-agent relationship. Each party is solely responsible for its own employees, contracts, and liabilities; neither party will be liable for any acts, omissions, or debts of the other.

3. Severability

If any provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it valid and enforceable. All remaining provisions shall remain in full force and effect, consistent with the parties' intent.

4. Cumulative Remedies

All rights and remedies conferred upon Franchisor or Franchisee under this Agreement are cumulative and in addition to any other right or remedy available at law or in equity. The exercise of any one remedy will not preclude the concurrent or subsequent exercise of any other remedy.

5. Notices

All notices, demands, consents, or approvals required or permitted under this Agreement must be given in writing by certified mail (return receipt requested), prepaid courier, or a nationally recognized overnight delivery service, addressed as follows (or to any other address designated in writing by the receiving party):

Franchisor: UNI GREEN INC

Name: _____

Address: _____

Franchisee: _____

Name: _____

Address: _____

All notices shall be deemed effective on the date of receipt, as indicated by the signed return receipt or delivery confirmation.

6. Acknowledgment of Risk

Franchisee acknowledges and agrees that the success of the franchised business depends on factors such as Franchisee's personal managerial skills, dedication, and local market conditions. Franchisor makes no representations, warranties, or guarantees regarding potential revenue, profitability, or the success of any specific location. Any demographic or site information provided by Franchisor is strictly for informational purposes and is not warranted as accurate or complete.

7. Translations / Language

This Agreement may be translated into languages other than English for convenience only. In the event of any conflict or inconsistency between versions, the English-language version shall control and govern.

8. Non-Waiver of State Protections

No questionnaire or acknowledgment that Franchisee signs in connection with this Agreement shall be construed to waive or disclaim any protections provided under any applicable state franchise or business laws. Any such attempts to disclaim or waive statutory protections are void to the extent prohibited by law.

9. Death or Disability of Franchisee.

In the event of the death or permanent disability of the Franchisee (or if the Franchisee is an entity, the death or permanent disability of its Principal Equity Owner), all rights and obligations under this Agreement shall continue in full force. The Franchisee's legal representative or estate must immediately notify Franchisor and ensure that a competent, qualified manager—approved by Franchisor—assumes active management of the Franchised Business. If, in Franchisor's sole judgment, the successor manager or the legal representative does not timely assume active management or is otherwise not qualified, Franchisor may, at its option, terminate this Agreement and require the Franchisee's estate or legal representative to comply with all post-termination obligations. Failure to promptly secure a competent manager or to otherwise comply with the terms of this Agreement following death or disability is deemed a material breach, entitling Franchisor to exercise any and all remedies herein.

10. Integration / Merger Clause.

This Agreement (together with any exhibits, schedules, or addenda expressly incorporated herein) constitutes the entire, final, and complete agreement between the parties with respect to its subject matter, and supersedes all prior or contemporaneous discussions, representations, negotiations, understandings, or agreements, whether oral or written. Each party acknowledges

and agrees that in entering into this Agreement, it has not relied on any representations, warranties, statements, or promises that are not expressly set forth herein. No amendment, modification, or waiver of this Agreement will be binding unless in writing and signed by both parties.

UNI GREEN INC (Franchisor)

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

Date: _____

FINANCIAL STATEMENTS

EXHIBIT B

UNI GREEN INC.

**REPORTS AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM NOVEMBER 26, 2024
(DATE OF INCORPORATION) TO DECEMBER 31, 2024**

**KAIZEN CPA PLLC
CERTIFIED PUBLIC ACCOUNTANTS
UNITED STATES
WWW.KAIZENCPA.COM**

UNI GREEN INC.
REPORTS AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM NOVEMBER 26, 2024
(DATE OF INCORPORATION)
TO DECEMBER 31, 2024

CONTENTS

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(EXPRESSED IN UNITED STATES DOLLARS)

Independent Auditor's Report To the Member of UNI GREEN INC.

We have audited the accompanying financial statements of UNI GREEN INC., which comprise the balance sheet as of December 31, 2024, and the related statement of income, changes in member's equity, and cash flows for the period from November 26, 2024 (Date of incorporation) to December 31, 2024, 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 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 our 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 from 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 for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UNI GREEN INC. as of December 31, 2024, and the results of its operations and its cash flows for the period from November 26, 2024 (Date of incorporation) to December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Kaizen CPA PLLC

Kaizen CPA PLLC
202 Canal Street, Suite 303, 3/F.,
New York, NY 10013, USA
Date: January 13, 2025

KAIZEN CPA PLLC
KAIZEN CPA LIMITED
202 Canal Street, Suite 303, 3/F.,
New York, NY 10013, USA
T: +1 646 850 5888
www.kaizencpa.com

UNI GREEN INC.**Statement of Income****For the Period from November 26, 2024 (Date of Incorporation) to December 31, 2024**

	<u>Note</u>	US\$
Administrative Expenses		(2,800)

Loss before Taxes		(2,800)
Income Tax Expenses	3	-

Net Loss		(2,800)
		=====

The accompanying Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these financial statements.

UNI GREEN INC.
Balance Sheet
As of December 31, 2024

		US\$
ASSET		
Current Asset:		
Cash and Cash Equivalents		300,000

Total Asset		300,000
		=====
LIABILITIES AND MEMBER'S EQUITY		
Current Liability:		
Accrued Expenses	4	2,800

Total Liability		2,800
Member's Equity		
Contributed Capital		300,000
Accumulated Losses		(2,800)

Total Member's Equity		297,200

Total Liability and Member's Equity		300,000
		=====

The accompanying Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these financial statements.

UNI GREEN INC.**Statement of Changes in Member's Equity****For the Period from November 26, 2024 (Date of Incorporation) to December 31, 2024**

	Contributed <u>Capital</u> US\$	Accumulated <u>Loss</u> US\$	<u>Total</u> US\$
Issuance of Shares	300,000	-	300,000
Net Loss	-	(2,800)	(2,800)
	-----	-----	-----
Balance at December 31, 2024	300,000	(2,800)	297,200
	=====	=====	=====

The accompanying Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these financial statements.

UNI GREEN INC.**Statement of Cash Flows****For the Period from November 26, 2024 (Date of Incorporation) to December 31, 2024**

	US\$
Cash Flows from Operating Activities	
Net Loss	(2,800)
Changes in Operating Assets and Liabilities:	
Increase in Accrued Expenses	2,800

Net Cash Generated from Operating Activities	-

Financing Activity	
Proceeds from Issuance of Ordinary Shares	300,000

Net Cash Generated from Financing Activity	300,000

	300,000
Cash and Cash Equivalents, Beginning of the Period	-

Cash and Cash Equivalents, End of the Period	300,000
	=====
Analysis of the Balances of Cash and Cash Equivalents	
Cash at bank and on hand	300,000
	=====

The accompanying Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these financial statements.

UNI GREEN INC.

Notes to the Financial Statements

For the Period from November 26, 2024 (Date of Incorporation) to December 31, 2024

1. Reporting Entity

UNI GREEN INC. (the "Company") was formed as a limited liability company under the Delaware Limited Liability Company Act on November 26, 2024. It is wholly owned by LIAN FA INTERNATIONAL DINING BUSINESS CORPORATION, a Taiwanese company. The Company had no business activity during the period.

2. Significant Accounting Policies

(1) Basis of Presentation

The financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America.

The financial statements are presented in United States Dollars.

(2) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the financial statement date and reported amounts of revenue and expenses during the reporting period. Actual results may differ from these estimates.

(3) Subsequent Events

The Company has evaluated subsequent events for recognition and disclosure through January 13, 2025, the date that these financial statements were available to be issued. There were no subsequent events that required adjustment or disclosure in the accompanying financial statements.

(4) Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. The carrying account of cash equivalents approximates fair value.

UNI GREEN INC.

Notes to the Financial Statements

For the Period from November 26, 2024 (Date of Incorporation) to December 31, 2024

2. Significant Accounting Policies (Cont'd)

(5) Income Taxes

The Company has elected to be taxed as a corporation for federal and state income tax purposes. Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are computed for differences between the financial statements and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the year plus or minus the change during the year in deferred tax assets and liabilities. Adjustments to prior year's income tax liabilities are added to or deducted from the current year's tax provision.

The Company follows authoritative guidance under ASC No. 740, "Income Taxes" on uncertain tax positions and has analyzed its filing positions in all the federal and state jurisdictions where it is required to file income tax returns, as well as all open tax years in those jurisdictions. The Company files income tax returns in the US federal and state jurisdictions where it conducts business. The Company believes that its income tax filing positions and deductions will be sustained on audit and does not anticipate any adjustments that will result in a material adverse effect on its financial position, results of operations, or cash flows. Therefore, no reserves for uncertain tax positions have been recorded. The Company does not expect its unrecognized tax benefits to change significantly over the next twelve months.

The Company's policy for recording interest and penalties associated with any uncertain tax positions is to record such items as a component of income before taxes. Penalties and interest paid or received, if any, are recorded as part of other operating expenses in the statement of income.

(6) New Standards and Interpretations Not Yet Adopted

A number of new standards, amendments to standards and interpretations have been issued since December 31, 2024 up to the date of authorization of the financial statements which are not yet effective and, have not been applied in preparing these financial statements. None of these new standards or amendments to standards when effective is expected to have a material effect on the financial statements of the Company.

3. Income Taxes

No provision for tax expenses has been made in the financial statements as the Company has incurred a loss for the period.

No deferred tax has been provided in the financial statements as the recovery of the carrying amount of the Company's assets and settlement of the carrying amount of Company's liabilities will not materially effect any taxable profit.

UNI GREEN INC.

Notes to the Financial Statements

For the Period from November 26, 2024 (Date of Incorporation) to December 31, 2024

4. Accrued Expenses

As of December 31, 2024, accrued expenses consisted of the following:

	US\$
Accrued Auditor's Remuneration	2,800
	=====

5. Immediate Parent and Ultimate Controlling Party

At December 31, 2024, management considers the Company's immediate parent and ultimate controlling party is LIAN FA INTERNATIONAL DINING BUSINESS CORPORATION, which is incorporated in Taiwan and listed in Taipei Exchange.

LIST OF FRANCHISE OUTLET

LIST OF FRANCHISE OUTLETS
(Unit Offering)

As of December 31, 2024, we do not have any unit franchise outlets open and operating. We do not sign any agreement with any person or entity.

LIST OF TERMINATED FRANCHISE

EXHIBIT D

LIST OF TERMINATED FRANCHISES

As of December 31, 2024, no UG Chen franchisee had an outlet terminated, canceled, or not renewed, or otherwise voluntarily or involuntarily ceased to do business under its franchise agreement during the past 12 months.

No franchisee has failed to communicate with us within the 10 weeks ending on the date of this disclosure document.

AREA DEVELOPMENT AGREEMENT

EXHIBIT E

AREA DEVELOPMENT AGREEMENT UG

This Area Development Agreement (“Agreement”) is made on _____ (the “Effective Date”) by and between UNI GREEN INC (“Franchisor”), a Delaware entity doing business as “UG,” _____ [Name of Area Developer] (“Area Developer”), and _____ (if Area Developer is not a sole proprietorship) each person owning 20% or more of the Area Developer entity, who will sign and be a party to this Agreement (in such context, “Principal Equity Owner”).

WHEREAS, Franchisor is the licensee (or owner) of certain trademarks, logos, and other intellectual property (the “Trademarks”), and are authorized to sub-license the UG Trademarks to third parties.

WHEREAS, Franchisor possesses advanced technology, management systems, innovative product development, and knowledge relating to a unique system for the development and operation of “UG” tea shop establishments that feature distinctive beverage and food offerings, interior and exterior designs, fixtures, color schemes, and operational standards (the “UG System”).

WHEREAS, Area Developer or its affiliated company is concurrently entering into an Area Development Agreement with Franchisor, under the terms of which the Area Developer is being granted a right to open and operate a UG franchised business at a tea shop (“Tea Shop”) that Franchisor has consented to, under UG Trademarks and in accordance with Franchisor’s business format.

In consideration of the mutual promises, covenants, agreements, and conditions contained in this Agreement, and other good and valuable consideration, the parties hereby agree as follows:

I. GRANT OF RIGHTS TO OPEN ADDITIONAL TEA SHOPS

1.1. Rights and Territory

1.1.1 Grant of Rights. Subject to the terms and conditions contained herein, Franchisor hereby grants to Area Developer the right to, and Area Developer hereby agrees to, establish and operate (itself or through affiliated entities) additional Tea Shops in accordance with the schedule of openings attached hereto as Exhibit 1 (the “Development Schedule”).

1.1.2 Territorial Exclusivity. Except as described in this Agreement, if Area Developer: (i)

is in full compliance with the conditions contained in this Agreement, including the satisfaction of all development obligations as stated in the Development Schedule and (ii) is in full compliance with all obligations under each Franchise Agreement entered into between Franchisor and Area Developer for each individual Tea Shop, then, during the Term of this Agreement, Franchisor will: (a) grant franchises to Area Developer to own and operate Tea Shops located within the geographical area (the “Development Area”) (under a separate Franchise Agreement for each Tea Shop) and (b) not grant a franchise to a third party to operate within the Development Schedule, except franchises granted to Area Developer. If Area Developer fails to comply with the Development Schedule, Franchisor may terminate this Agreement.

1.1.3 Non-Traditional Venues Excluded. Area Developer’s rights to open and operate Tea Shops under this Agreement do not extend to a “Non-Traditional Venue” (defined as a business operated under the UG Trademarks located within another primary business or in conjunction with other businesses or at institutional settings, including shopping malls, concert halls, food courts, hotel, resort, military installation, train station, subway station, theme park, toll roads, stadiums, airports, colleges and universities, schools, hospitals, military and other governmental facilities, office facilities, and any site where the owner or operator has indicated its intent to prefer or limit operation to a master concessionaire or contract service provider).

1.1.4. Affiliated Entities. With Franchisor’s prior written approval, Area Developer may establish affiliated entities to sign each Franchise Agreement and operate each Tea Shop under this Agreement. If Area Developer establishes one or more affiliated entities pursuant to this Article 1.1.4, Area Developer shall remain liable for all obligations and actions of such affiliated entities under a Franchise Agreement as though Area Developer executed such Franchise Agreement and agree to execute a guaranty agreement or other documents as Franchisor deems necessary to carry out the intentions of this Article 1.1.4. The parties acknowledge and agree that any provisions in this Agreement that refer to franchise agreements entered into between Area Developer and Franchisor, including the Franchise Agreements, shall also apply to any franchise agreements entered into between Area Developer’s affiliated entities and Franchisor.

1.2. Term

The term of this Agreement shall commence on the Effective Date and, unless sooner terminated due to Area Developer’s material breach, will continue for a period of five (5) years, or until terminated as provided in Article XI of this Agreement. There shall be no extensions or renewals of the Development Schedule unless agreed to in writing by the parties. Upon termination of this

Agreement, the Area Developer and its affiliated entities shall no longer retain the right to open additional Tea Shops under the Development Schedule.

1.3 Continuing Advisory Relationship

Franchisor will endeavor to maintain a continuing advisory relationship with Area Developer and, at its discretion, may offer support, guidance, or resources that it considers beneficial to the establishment and operation of the UG Shop. Such assistance may include, without limitation, general suggestions or recommendations related to site selection, store design, build-out, initial or ongoing training, marketing approaches, inventory management, and other aspects of the UG System. The nature, scope, and frequency of any advisory support are subject to Franchisor's discretion and may vary based on overall system goals, available resources, and evolving business priorities.

1.4 Operations Manual and Standards

Franchisor may periodically update, supplement, or modify written materials, including its operations manual and any related guidelines or standards for operating UG Shops. Area Developer agrees to review and abide by all current and future versions of these materials. While Franchisor may provide suggestions or guidance on operational matters, Area Developer remains solely responsible for making all final business decisions, incurring any associated expenses, and ensuring compliance with this Agreement, applicable law, and the UG System's requirements.

II. DEVELOPMENT OBLIGATIONS

2.1 Development Obligations

2.1.1 Construction and Opening of Tea Shops. Area Developer (or its affiliated entity) shall be responsible for constructing, equipping, and opening each additional Tea Shop in accordance with the timelines specified in Exhibit 1. Tea Shop must be fully operational no later than the applicable date outlined in Exhibit 1 and must continue operations thereafter in compliance with this Agreement's standards.

2.1.2 Assignment of Opened Tea Shops. Any Tea Shop developed under this Agreement, which is open and operating and subsequently assigned to an affiliate of Area Developer or to a third party (with prior written consent of Franchisor), shall continue to count toward the Area Developer's obligations under the Development Schedule, as long as the assignee remains in full compliance and good standing under the applicable agreements.

2.1.3 Territory—As Specified in Exhibit 1. The Area Developer’s rights under this Agreement are limited to the territory set forth in Exhibit 1 (“Territory”). The Area Developer shall develop and open at least three (3) Tea Shops within the first two (2) years, with a total of _____ (____) Tea Shops to be established and operating during the full term of this Agreement. Failure to meet these development milestones may constitute a material breach under this Agreement. Among other possible remedies, such a breach may result in the termination of the Area Developer’s rights to continue area development. However, in that event, the Area Developer will retain the right to operate and manage any Tea Shop that were already opened and operating before the termination, subject to continued compliance with the applicable Franchise Agreements and this Agreement’s surviving provisions.

2.1.4 Best Efforts. Area Developer shall invest in, open, and operate each UG Tea Shop with its utmost effort, ensuring that all aspects (including quality control, customer service, and operational standards) are maintained at the highest level. Failure to do so may be considered a material breach of this Agreement.

2.1.5 Operating Hours

Area Developer shall maintain and observe the specific days and hours of operation mandated or approved by Franchisor. Except where the UG Shop is rendered unable to operate normally due to power outages, water outages, accidents, or other force majeure events, the UG Shop must not cease operations without cause. In the event of any such force majeure event, Area Developer shall promptly notify the Franchisor following its occurrence and shall make every effort to adopt remedial measures

2.1.6 Approved Equipment and Fixtures.

Area Developer shall use only the furniture, equipment, signage, décor, and other fixtures designated or approved by Franchisor. Any non-conforming items must be removed or replaced at Area Developer’s expense upon Franchisor’s notice.

2.1.7 Inventory and Supplies

Area Developer shall maintain a sufficient stock of Franchisor-approved products and ingredients to meet customer demand. Inventory levels shall be replenished promptly to ensure consistent availability of all required offerings.

2.1.8 Staffing and Training

Area Developer is responsible for hiring individuals of good character and ensuring that all employees receive adequate training regarding UG service standards, product preparation, and customer service. Area Developer shall employ sufficient staff to provide timely and courteous service during all operating hours.

2.1.9 Health, Safety, and Sanitation

Area Developer shall comply fully with all health, safety, and sanitation guidelines set forth by Franchisor, as well as with any applicable local, state, or federal regulations. All equipment and customer-facing areas shall be maintained in a clean, orderly, and hazard-free condition.

2.1.10 Marketing and Promotions

Area Developer shall conduct all marketing campaigns, promotions, and special events as directed or recommended by Franchisor, without material deviation, unless Franchisor provides written consent for any proposed alternative.

2.1.11 Pricing

Where legally permissible, Franchisor may recommend or require specific price points (including maximum, minimum, or promotional prices) for certain products or services offered by the UG Shop. Area Developer acknowledges that adherence to such pricing guidelines is essential for brand consistency and system-wide marketing initiatives. Area Developer further recognizes that such guidelines do not guarantee profitability in every local market scenario.

2.1.12 Employment Matters

Area Developer is solely responsible for all aspects of employment, including hiring, compensation, benefits, insurance, payroll taxes, employment eligibility verification, training, discipline, and termination. Area Developer shall at all times comply with applicable federal, state, and local labor and employment laws and regulations.

2.1.13. Uniforms

All front-of-house personnel, and such other personnel as Franchisor may designate, shall wear UG-approved uniforms. Franchisor may impose a penalty of one hundred U.S. dollars (US\$100) per employee, per day, for uniform violations. Uniform specifications may change from time to time, and Area Developer shall adopt any such changes within a reasonable timeframe at Area Developer's expense.

2.1.14. Approved Suppliers

Franchisor retains the exclusive right to approve or disapprove any supplier from whom Area Developer may procure products, supplies, equipment, or services for the UG Shop. Area Developer must purchase all items exclusively from suppliers that Franchisor has approved or designated. Any deviation from this requirement constitutes a material breach, subjecting Area Developer to liquidated damages of twenty thousand dollars (\$20,000) per violation, in addition to any other remedies permitted by this Agreement or law.

2.1.15. Customer Complaints and Regulatory Notices

Area Developer shall promptly inform Franchisor of any significant customer complaints, threatened or filed lawsuits, regulatory notices, or other governmental inquiries related to the UG Shop. Area Developer shall cooperate fully with Franchisor in investigating and addressing such complaints or notices and shall implement any corrective or remedial actions Franchisor deems necessary. If Area Developer becomes aware of any negative information regarding Franchisor or the franchised store's reputation or quality, Area Developer shall investigate the cause and report it to Franchisor. If there is any proposed solution, Area Developer must also report it to Franchisor and obtain Franchisor's approval before proceeding. Without Franchisor's consent, Area Developer shall not publicly issue any comments in the name of the franchise system.

2.1.16. Maintenance

Area Developer shall keep the UG Shop in a clean, orderly, and attractive condition, and shall timely repair or replace any items that fail to meet Franchisor's Standards. This maintenance obligation extends to both interior and exterior areas of the premises, including but not limited to furniture, fixtures, equipment, signage, and décor.

2.1.17. Remodeling Requirement

Area Developer acknowledges the importance of maintaining the UG System's uniform brand image and agrees that Franchisor shall have the sole and absolute discretion to require the remodeling, refurbishing, or upgrading of each Tea Shop to align with the then-current image, brand standards, and marketing strategies of the UG System. Area Developer shall complete any such remodeling at its own cost and expense, in accordance with Franchisor's design specifications and within the

deadlines set forth by Franchisor.

2.1.18. Franchisor shall provide Area Developer with reasonable notice of required remodeling, specifying the scope of work and the timeline for completion. Area Developer shall diligently commence the remodeling work upon receipt of such notice and shall ensure that all work is completed to Franchisor's satisfaction by the prescribed deadline. Failure to complete the remodeling as required shall constitute a material breach of this Agreement. In addition to any other rights or remedies provided under this Agreement or applicable law, Franchisor may (i) suspend the Area Developer's rights under this Agreement, (ii) undertake or contract to perform the remodeling on Area Developer's behalf at Area Developer's expense (including the right to charge an administrative or project management fee), and/or (iii) exercise all other remedies available at law or in equity. Area Developer further agrees that Franchisor shall not be liable for any loss of business, interruption of operations, or additional expenses incurred by Area Developer during or resulting from the remodeling process. Area Developer shall not make or permit any changes to the design specifications without obtaining Franchisor's prior written approval. Any such unauthorized modifications shall likewise be deemed a material breach of this Agreement, entitling Franchisor to pursue all available remedies.

2.1.19. Feedback and Improvements

If Area Developer or any of Area Developer's employees conceive or develop any ideas, methods, recipes, processes, or other innovations that relate to the UG System ("Improvements"), Area Developer hereby grants Franchisor a perpetual, worldwide, royalty-free license to use, implement, sublicense, and exploit such Improvements for the benefit of the UG System. Area Developer acknowledges that no compensation shall be due or owing for any Improvements adopted by Franchisor, and all goodwill generated thereby shall inure to Franchisor's benefit.

2.2 Force Majeure

2.2.1. Definition. "Force Majeure" means natural disasters (tornadoes, earthquakes, hurricanes, floods, fires, or similar catastrophes); strikes, lockouts, or other industrial disturbances; war, terrorist acts, riot, or other civil disturbance; epidemics; or other similar events that Area Developer could not reasonably avoid. Neither governmental actions nor Area Developer's financial inability to perform shall be considered Force Majeure hereunder.

2.2.2. Effect on Development Schedule. If Area Developer is unable to meet a development obligation solely due to a Force Majeure event that impedes construction or operation, Franchisor may at its discretion to modify the Development Schedule.

2.2.3. Notification Requirements. Area Developer must notify Franchisor in writing within 10 business days following the start of the Force Majeure event, detailing its nature and how it impacts performance. Area Developer must provide timely updates and demonstrate diligence in attempting to overcome the Force Majeure.

2.2.4. No Liability to Franchisor. Franchisor is not liable for any consequential damages (e.g., lost profits, increased costs) resulting from Force Majeure events, absent Franchisor's gross negligence or intentional misconduct.

2.3 Franchisor's Reservation of Rights

The Development Area granted to the Area Developer does not restrict the Franchisor (whether acting directly or through its affiliates) from soliciting or accepting orders from consumers located within or outside the Development Area. Notwithstanding Section 2.2, the Franchisor, without obligation to compensate the Area Developer or obtain its approval, expressly reserves and retains the following rights:

2.3.1 To own, acquire, establish, and/or operate, and to license others to establish and operate, UG Tea Shops under the UG System at any location outside the Development Area, regardless of any actual or potential impact on the sales of any Tea Shop(s) within the Development Area.

2.3.2 To own, acquire, establish, and/or operate, and to license others to establish and operate, businesses under proprietary marks other than the UG Trademarks, whether such businesses are similar to or different from the Tea Shops, at any location within or outside the Development Area, regardless of any actual or potential impact on the sales of any Tea Shop(s).

2.3.3 To own, acquire, establish, and/or operate, and to license others to establish and operate, Tea Shops under the UG Trademarks at any Non-Traditional Venue within or outside the Territory, regardless of any actual or potential impact on the sales of any Tea Shop(s).

2.3.4 To sell and distribute, directly or indirectly (or to license others to sell and distribute, directly or indirectly), any products (including the Products) through grocery or

convenience stores, other primarily retail outlets, mail order, toll-free numbers, the internet, or other channels of distribution, including products bearing the UG Trademarks; provided, however, that any such distribution within the Development Area shall not originate from a UG Tea Shop established and operating within the Development Area.

2.3.5 To sell and distribute, directly or indirectly (or to license others to sell and distribute, directly or indirectly), any products (including the Products) to any customer, business, or enterprise located within or outside the Development Area by means of any delivery or catering process determined in the Franchisor's sole discretion, including products bearing the UG Trademarks, notwithstanding any actual or potential impact on the sales of any Tea Shop(s).

2.3.6 The Area Developer acknowledges and agrees that the exercise of the above rights may adversely affect sales within the Development Area. The Area Developer waives any claim against the Franchisor (and its affiliates) arising from or relating to the Franchisor's exercise of these reserved rights and agrees that the Franchisor shall have no liability for any such impact.

2.3.7 All rights reserved to the Franchisor in this Section are in addition to, and shall not limit, any other rights or remedies the Franchisor may have under this Agreement or applicable law. The Area Developer's rights under this Agreement are expressly subject to the Franchisor's reserved rights herein, and no exercise of such reserved rights shall be deemed a breach of this Agreement or any obligation owed to the Area Developer.

III. DEVELOPMENT FEES AND FINANCIAL OBLIGATIONS

3.1. Area Development Fee: \$100,000

3.1.1. Payment of Area Development Fee. In consideration of the rights granted herein to develop multiple UG Tea Shops with-in a specified territory over a set development schedule, Area Developer shall remit to Franchisor a non-recurring, non-refundable Area Development Fee of \$100,000 (the "Development Fee") in a lump sum upon execution of this Agreement.

3.1.2. No Refund. The Area Development Fee is considered fully earned by Franchisor upon execution of this Agreement. Area Developer shall not be entitled to any refund of the Development Fee, unless otherwise explicitly provided in this Agreement.

3.1.3. Failure to Complete Training. Should Area Developer fail to complete the initial franchise training required under this Agreement, no portion of the Development Fee will be refunded.

3.1.4. Additional Tea Shop Fee From the Fourth Tea Shop Onward. Beginning with the fourth (4th) Tea Shop that Area Developer develops and opens under this Agreement (and for each subsequent Tea Shop thereafter), Area Developer shall pay Franchisor an additional fee of Forty Thousand Dollars (\$40,000) per Tea Shop. This fee is in addition to any other fees or payments required under this Agreement or any related franchise agreement(s). The payment is due at a time and in a manner prescribed by Franchisor, typically no later than the execution of the individual franchise agreement for each new Tea Shop. Failure to timely remit this fee constitutes a material breach of this Agreement, and Franchisor may pursue all remedies available under this Agreement or at law.

3.2. Technology Transfer Fee: \$30,000

3.2.1. Scope. This fee covers the mandatory initial training program for the Area Developer's operating principal and designated personnel.

3.2.2. Payment. Payable at the time Area Developer signs this Agreement or as otherwise agreed upon in writing.

3.3. Store Pre-Opening Fee: \$12,000

3.3.1. Scope. This fee covers on-site support for each UG Shop that the Area Developer opens under the Development Schedule.

3.3.2. Payment Terms. The fee is typically due for each new unit developed, as specified in the Development Schedule or upon separate written notice by Franchisor.

3.4 Design Fee: \$3,000

3.4.1 Scope. This fee covers each Tea Shop's design services, ensuring consistency with the UG brand across the entire development area.

3.4.2. Payment Terms. Payable according to this Agreement or under each separate Franchise Agreement.

3.4.3. Material Breach. Implementing unapproved designs constitutes a material breach of

this Agreement.

3.5. Security Deposit: \$30,000

3.5.1. Purpose. Area Developer shall remit to Franchisor a \$30,000 security deposit to guarantee performance of its obligations under this Agreement, including compliance with the Development Schedule and payment of all required fees.

3.5.2. Refund. The deposit will be returned (without interest) following expiration or termination of this Agreement, subject to any deductions for damages resulting from Area Developer's breach. In the event of termination due to Area Developer's default, Franchisor may retain or draw on the deposit to cover amounts owed or damages incurred.

3.6. Continuing Royalty

3.6.1. Royalty Rate. Area Developer agrees to pay Franchisor a royalty fee of six percent (6%) of Gross Revenues for each Tea Shop developed under this Agreement. . In addition, Area Developer must pay a minimum monthly Royalty Fee of \$1,200 for each Tea Shop.

3.6.2. Approval of Collaborations. Area Developer must obtain Franchisor's prior written consent before engaging in or finalizing any collaboration projects or producing private-label products for sale under the UG marks.

3.6.3. Definition of Gross Revenues. "Gross Revenues" means the total revenue generated from the sale of all products and services and all other income of every kind and nature related to franchise operation, whether for cash, by redemption of gift certificates or for credit, regardless of collection. Gross Revenues do not include sales tax or any other taxes you collect from customers for payment to an appropriate tax authority.

3.6.4. Payment Frequency. Royalty Fees for the previous month are due and payable on or before the 10th day of the following month, unless Franchisor approves an alternate payment schedule in writing. Failure to timely remit the Royalty Fee is a material breach of this Agreement and may subject Area Developer to additional fees or remedies as provided herein.

3.7 Renewal Fee

3.7.1 Renewal Right. Area Developer may renew this Agreement for one additional term of

five (5) years by providing written notice at least 180 days before the Agreement's expiration.

3.7.2. Negotiation of Renewal Terms. The parties shall negotiate renewal terms in good faith. If Area Developer breaches any material provision or fails to execute the renewal agreement, Franchisor may decline renewal.

3.7.3 As a condition to renewal, the Area Developer shall pay to the Franchisor a non-refundable Renewal Fee of \$_____, which must be received by the Franchisor no later than thirty (30) days prior to the execution of the renewal agreement. Timely payment of the Renewal Fee is a prerequisite to the Franchisor's consideration of any renewal, and failure to do so shall constitute grounds for denial of renewal. The Renewal Fee is in addition to any other fees or obligations required under the Agreement or any renewal thereof.

3.8 Equipment Fee.

Area Developer shall pay an Equipment Fee of \$_____ at the time of placing the order. All payment terms, including the due date and any applicable installment arrangements, shall be agreed upon in writing between Franchisor and Area Developer. This fee is payable directly to Franchisor, and unless otherwise stated in this Agreement or required by applicable law, it is non-refundable.

3.9 Utensils.

Area Developer shall pay \$20,100 for Utensils at the time of placing the order. These utensils are critical for the franchise's initial operations and include any items designated by Franchisor as necessary to meet UG brand standards. Area Developer must arrange all details regarding the delivery, installation, and use of these Utensils with Franchisor or Franchisor's designated suppliers. Payment shall be remitted directly to Franchisor under terms specified herein, and this fee is generally non-refundable unless otherwise stated or required by applicable law.

3.10 Initial Inventory.

Area Developer is obligated to purchase an Initial Inventory of \$_____, which is payable upon placing the order. This inventory encompasses all essential goods and ingredients required for launching and sustaining the franchise's initial operations. The final invoice provided to Area Developer by Franchisor will outline the exact sum and any applicable shipping or handling charges. Payment for the Initial Inventory is made directly to Franchisor and is generally non-refundable except as otherwise provided in this Agreement or mandated by applicable law.

3.11 Other Payment Terms

3.11.1 Withholding Taxes. All fees are subject to reduction or withholding if required by law, provided that Area Developer gives Franchisor notice and documentation of any such withholding.

3.11.2 Late Payments and Interest. If Area Developer fails to pay any amount when due, Franchisor may charge a late fee and interest at a rate of 5% per month or the highest rate permitted by law, whichever is higher. Area Developer must also reimburse Franchisor for all collection costs, including attorneys' fees.

IV. SUPPLY

4.1. Ingredients, Materials, and Management Procedures

4.1.1. Required Suppliers. To maintain consistency and quality, Area Developer shall purchase certain raw ingredients and materials exclusively from Franchisor or its designated suppliers.

4.1.2. Local Suppliers. For non-specified items (e.g., milk, vegetables, fruits), Franchisor will assist in selecting qualified suppliers. If Area Developer wishes to use a non-designated local supplier, it must obtain Franchisor's prior written approval.

4.1.3. Inventory Procedures. Area Developer shall develop and implement procurement and inventory management procedures for each Tea Shop, subject to Franchisor's prior written approval.

4.2 Safety of Ingredients and Materials

If any raw ingredients or materials provided by Franchisor are deemed unsafe by local authorities, Area Developer may return or exchange them at Franchisor's expense.

4.3 Payment Conditions

Payment Installments and Lump-Sum Option. Unless otherwise required by Franchisor in its sole discretion, Franchisor will begin preparing the shipment after receiving the entire purchase order amount in one lump sum, in which event Area Developer shall pay the full balance by the deadline specified in Franchisor's written notice. Failure to comply with this payment requirement constitutes a material breach of this Agreement.

4.4 Prohibition on Alterations

Area Developer may not alter product names, pricing, or bundle services with third-party goods without Franchisor's prior written consent.

4.5 POS System

Area Developer shall install and maintain a Point of Sale (POS) system that meets Franchisor's technical specifications and operational requirements. Prior to commencing operations, Area Developer shall submit POS configuration details for Franchisor's written approval. Area Developer is responsible for all costs related to hardware, software, upgrades, and ongoing maintenance. Franchisor reserves the right to mandate system enhancements if deemed necessary for uniformity or data accuracy within the UG System.

In the event Area Developer fails to comply with any obligations set forth in this Agreement, Franchisor shall have the right, at its sole discretion and without prior notice, to immediately suspend the Area Developer's access to the POS system and the software system of any equipment. Such suspension shall remain in effect until Franchisor determines, in its sole discretion, that Area Developer has remedied all curable defaults to the Franchisor's satisfaction. Area Developer shall remain responsible for all obligations under this Agreement during any such suspension. Franchisor shall bear no liability for any losses, damages (including consequential or incidental damages), or interruptions to Area Developer's business resulting from the suspension, and all other rights and remedies of the Franchisor under this Agreement, or at law or in equity, shall remain reserved.

4.6 Damages

If Area Developer violates any obligation under this Article IV, it shall be liable for liquidated damages of \$10,000.

ARTICLE 5. INITIAL MANDATORY TRAINING, ON-SITE SUPPORT, AND RELATED EXPENSES

- 5.1 After signing this Agreement, Area Developer must assign at least eight (8) staff members to complete 5 to 10 calendar days of initial training at Area Developer's UG Shop in the United States, on a schedule Franchisor jointly determine. Area Developer bear all expenses for the trainees (including transportation, lodging, and meals) and for Franchisor's trainers' local expenses, including local transportation, meals, three-stars-or-above hotel accommodations, and other reasonable costs. Area Developer shall cover Franchisor's trainers' airfare and

salary for this initial program, unless otherwise stated.

- 5.2 Upon completing the initial training, Franchisor will assign a business operation consultant to assist with Area Developer's pre-opening for up to 15 calendar days. Franchisor shall be responsible for the consultant's salary and international airfare, while Area Developer is responsible for local costs. If Franchisor advances these costs on Area Developer's behalf, Area Developer must reimburse Franchisor within seven (7) calendar days upon receiving Franchisor's request.
- 5.3 After Area Developer's UG Shop opens, Franchisor may, at Area Developer's request, provide additional on-site consultation (e.g., quarterly). Area Developer shall pay a daily fee of US\$300 per consultant (or US\$350 if Area Developer request a specific consultant), plus round-trip airfare, lodging, meals, and local transportation. All such fees and reimbursements are due within seven (7) days after Franchisor's written invoice.

VI. MARKETING

6.1 Design Guidelines

Area Developer must adhere strictly to these guidelines and is responsible for printing and maintaining physical copies as necessary.

6.2 Marketing Activities and Projects

Prior Notice. Area Developer must notify Franchisor at least 1 month before launching any marketing initiative.

6.3 Restrictions on Marketing Activities

6.3.1. Legal Compliance. All advertising must comply with local laws. Area Developer is solely responsible for violations or penalties.

6.3.2. Immediate Termination. If Area Developer's illegal or noncompliant activities damage the brand, Franchisor may terminate this Agreement immediately.

6.4. Unified Advertising Campaigns

Franchisor may initiate nationwide or regional campaigns. Area Developer must cooperate and implement these campaigns according to Franchisor's instructions.

6.5. Compliance with Portrait Rights

Area Developer must respect all portrait rights in marketing materials. Violations are the sole responsibility of Area Developer and may result in termination.

6.6. Prohibition on Political Commentary

Any political commentary or affiliation in marketing materials is strictly prohibited. A violation is a material breach subject to immediate termination.

VII. OPERATION

7.1. Supervision by Franchisor

7.1.1. Reporting.

Area Developer shall prepare and deliver monthly and quarterly reports to Franchisor on or before the dates specified by Franchisor. Each report must be in a format designated or approved by Franchisor and shall include (without limitation) detailed information on sales, inventory levels, marketing initiatives, staffing, customer feedback, and any other data or metrics that Franchisor, in its sole discretion, deems necessary for effective oversight and brand management. Area Developer agrees to provide any supplemental reports or records requested by Franchisor and to cooperate fully in clarifying or correcting any discrepancies within the reports. Failure to provide timely, complete, and accurate reports—or failure to rectify reporting issues after notice—constitutes a material breach of this Agreement.

7.1.2. POS Monitoring.

Area Developer shall provide Franchisor with continuous, unlimited, and real-time electronic access to all Point-of-Sale (“POS”) data and systems for each Tea Shop. This includes, but is not limited to, sales, inventory, pricing, customer transactions, and any other data that Franchisor, in its sole discretion, deems relevant. Area Developer must install, maintain, and update all hardware, software, and data connections necessary to enable such access in accordance with Franchisor’s then-current specifications. Area Developer shall bear all costs associated with implementing and maintaining the required POS systems, integrations, and any related fees. Franchisor may, at any time and without notice, inspect, audit, extract, copy, or otherwise verify any data in the POS system to ensure accuracy, compliance with operational standards, and to calculate any fees or royalties owed. If Franchisor deems

the POS system inadequate or discovers data discrepancies, Franchisor may require Area Developer to upgrade or replace the POS system, or take any other corrective action, at Area Developer's expense. Area Developer shall not refuse, hinder, or limit Franchisor's access or auditing functions in any way. Any violation of this provision is deemed a material breach of this Agreement.

7.2. Inspection Rights

Franchisor and its authorized representatives may enter the UG Shop during normal business hours to assess Area Developer's compliance with this Agreement and the Standards. Without prior notice, to: (i) inspect the condition of Area Developer'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 Area Developer's compliance with this Agreement. Such inspections may be scheduled or unscheduled. If any non-compliant items, procedures, or conditions are identified, Area Developer shall rectify them immediately at Area Developer's sole expense. Should Area Developer fail to do so, Franchisor may remove or replace the offending items or practices at Area Developer's cost, payable within ten (10) days of invoice.

7.3. Health and Safety Standard

Franchisor may request samples for testing or conduct its own inspections. Costs of failing or re-testing are borne by Area Developer. Local health and safety regulations apply.

7.4. Other Business Qualifications

Area Developer must secure all required local business qualifications, including but not limited to any necessary Franchise Disclosure Document filings, company incorporation, or tax licenses.

7.5. Unauthorized Products and Services.

Area Developer shall not offer, market, or sell any product or service that has not been expressly pre-approved in writing by Franchisor. This includes, without limitation, any new menu items, private-label merchandise, third-party collaborations, or promotional products. Any violation of this provision is deemed a material breach of this Agreement and entitles Franchisor, in its sole discretion, to immediately terminate the Agreement. In addition, due to the difficulty of quantifying the harm caused by unapproved products and services, Area Developer agrees to pay Franchisor liquidated damages in the amount of Twenty Thousand Dollars (\$20,000) for each such violation. These liquidated damages are not a penalty but constitute a reasonable estimate of the

damages Franchisor will suffer. This remedy is in addition to any and all other rights and remedies available to Franchisor, whether at law or in equity.

7.6 Maintenance, Appearance, and Remodeling Obligations.

7.6.1 Area Developer agrees to maintain each Tea Shop in a clean, orderly, and attractive condition at all times, consistent with the standards set forth by Franchisor. Area Developer shall promptly perform all necessary repairs, upkeep, and routine maintenance to preserve the Tea Shop's interior and exterior appearance and functionality. This includes, but is not limited to, maintaining fixtures, furnishings, signage, décor, and equipment in good working order and replacing or upgrading them as Franchisor may reasonably require from time to time.

7.6.2 Furthermore, Area Developer shall remodel or refurbish each Tea Shop at its own expense as Franchisor periodically deems necessary to reflect the then-current image, brand standards, and marketing strategies of the UG System. Franchisor will provide Area Developer with reasonable advance notice of any required remodeling, along with design specifications and deadlines for completion. If Area Developer fails to complete the required remodeling within the prescribed timeframe, such failure constitutes a material breach of this Agreement, giving Franchisor the right to exercise any and all remedies under this Agreement or applicable law.

7.7 Insurance Requirements.

During the entire term of this Agreement, Area Developer shall, at its own expense, obtain and maintain the insurance coverage that Franchisor periodically requires. At a minimum, Area Developer must carry commercial general liability insurance of two million dollars (\$2,000,000) per occurrence, or such higher limit as may be required by Franchisor or the applicable landlord. The specific premiums, limits, and coverage terms will vary based on Area Developer's underwriting history, location, insurance carrier, and other factors, but all insurance policies must name Franchisor as an additional insured. Area Developer must also comply with all insurance-related obligations set forth under this Agreement (and any separate franchise agreement), including providing Franchisor with certificates of insurance upon request and immediately notifying Franchisor of any material changes or lapses in coverage. Failure to maintain the required insurance is a material breach of this Agreement.

7.8 Advertising and Marketing Obligations.

7.8.1 Area Developer shall conduct advertising and marketing activities for each Tea Shop in strict compliance with Franchisor's directives, guidelines, and brand standards. Area

Developer agrees to allocate the necessary funds, staff, and resources to maintain an active marketing presence throughout the Territory, including both local advertising and promotional efforts as Franchisor may reasonably require. All marketing materials must conform to Franchisor's specifications and receive Franchisor's prior written approval where required.

7.8.2 Franchisor reserves the right to independently conduct additional advertising and marketing campaigns at the regional, national, or international levels, at its sole discretion. Area Developer acknowledges that such campaigns may also include the Territory, and that Franchisor has the unrestricted right to develop, modify, or discontinue any advertising or marketing programs. Area Developer shall cooperate fully with all promotional activities initiated by Franchisor and implement any related strategies or brand guidelines within the deadlines provided. Failure to comply with this section constitutes a material breach of this Agreement.

7.9. Tea Shop Management and Staffing Obligations.

Area Developer shall ensure that each Tea Shop within the Development Territory is properly staffed and managed at all times in accordance with Franchisor's guidelines and operational standards. This includes:

7.9.1. Daily Management.

Area Developer or its designated representative must oversee the day-to-day operations of each Tea Shop to ensure full compliance with this Agreement and with the Franchisor's established protocols, policies, and quality requirements.

7.9.2. Staff Training and Competency.

Area Developer is responsible for recruiting, hiring, training, and supervising all personnel necessary to operate the Tea Shops. All employees must meet Franchisor's standards for skill, professionalism, and customer service, and complete any required initial or ongoing training programs specified by Franchisor.

7.9.3. Compliance with Labor Laws.

Area Developer must comply with all applicable labor and employment laws, regulations, and best practices in connection with Tea Shop staffing and employee management.

7.9.4. Ongoing Oversight.

Area Developer shall periodically review staff performance and morale, implement improvements or corrective actions as needed, and promptly address any deficiencies that might jeopardize the Tea Shop's adherence to Franchisor's operating standards.

7.9.5. Continuity of Operations.

Area Developer shall maintain sufficient managerial and operational personnel at each Tea Shop to ensure uninterrupted service to customers, including during periods of staff turnover, vacations, or other absences.

Failure to meet these obligations constitutes a material breach of this Agreement, and Franchisor reserves the right to take any and all remedies available under this Agreement or at law, including immediate termination.

VIII. TRADEMARK

8.1 Area Developer agrees to use only those UG Trademarks (including names, logos, service marks, and associated branding) that Franchisor specifies, and strictly in the form, manner, and context that Franchisor has approved in writing. Area Developer may not modify, distort, or misuse the UG Trademarks, nor may Area Developer combine or co-brand them with any other trademark, logo, name, or identifier without Franchisor's express prior written consent. Area Developer may not offer or sell any UG-branded products or services via catalogs, the Internet, social media, or other remote channels without Franchisor's prior written authorization. Franchisor retains exclusive control over all online usage of the UG Trademarks, including domain names, social media handles, and any digital or electronic presence.

8.2 Area Developer acknowledges that the UG Trademarks are owned solely by Franchisor or its affiliates, and that all goodwill arising from Area Developer's use of them inures exclusively to Franchisor's benefit. Area Developer will not register, attempt to register, or otherwise claim rights in any mark, trade name, domain name, or entity name that is identical or confusingly similar to the UG Trademarks. Area Developer also agrees not to use the name "UG" (or Franchisor's company name, any variation thereof, or any similar terms) in Area Developer's corporate, partnership, limited liability company, fictitious, or assumed business names, or in any manner that may create the false impression that Area Developer is anything other than an independently owned and operated franchisee.

8.3 Area Developer must immediately comply with any direction from Franchisor regarding the

use, display, discontinuance, or modification of the UG Trademarks, including removing or destroying any materials Franchisor deems unacceptable, at Area Developer's expense. Any unauthorized or improper use of the UG Trademarks constitutes a material breach of this Agreement, entitling Franchisor, at its sole discretion and without limiting other available remedies, to seek immediate injunctive relief, terminate this Agreement, and/or require Area Developer to pay damages for harm to Franchisor's brand and goodwill.

8.4 Area Developer must immediately notify Franchisor of any potential infringement or litigation involving the UG Trademarks. Franchisor shall have the sole and absolute right to direct, control, and settle any litigation, dispute, or other proceeding relating to its intellectual property. Area Developer agrees to cooperate fully, at its own expense, in any action taken by Franchisor to protect or defend its rights in the UG Trademarks.

8.5 Except as otherwise expressly provided in this Agreement, Area Developer shall not at any time represent or claim any right, title, or interest in or to the licensed trademarks and shall not engage in any act that could impair the rights associated with such trademarks. Area Developer shall also refrain from infringing Franchisor's copyrights, trademark rights, patent rights, and any other intellectual property rights or other legal rights and shall not cause or allow any third party to do so.

8.6 Without the prior written consent of Franchisor, Area Developer shall neither relicense nor otherwise authorize any third party to use Franchisor's trademarks. In the event Area Developer infringes upon the rights of the Franchisor or any third party, thereby causing damage to Franchisor or its employees, agents, or affiliates, Area Developer agrees to indemnify and hold the Franchisor harmless from any and all such damage, loss, or liability.

IX. TRANSFER OR ASSIGNMENT

9.1. Assignability

9.1.1. Reliance on Personal Qualifications. Franchisor has executed this Agreement in reliance on Area Developer's personal qualifications; thus, Area Developer may not assign this Agreement except as specified in Section 9.2.

9.1.2. Franchisor's Right to Assign. Franchisor may assign this Agreement at its sole discretion without Area Developer's consent; Area Developer waives any claims arising from such assignment.

9.2 Transfers to an Affiliated Entity

Area Developer may not assign this Agreement to any entity, including an entity fully owned by Area Developer, without first obtaining Franchisor's prior written approval. Franchisor shall not unreasonably withhold such consent, provided that Area Developer and any proposed transferee satisfy all then-current conditions and requirements that Franchisor may establish. If Franchisor grants approval, the assignee must execute a written instrument, in a form satisfactory to Franchisor, agreeing to assume and be bound by all obligations under this Agreement. The Area Developer must provide at least thirty (30) days' prior written notice to Franchisor of the proposed transfer, along with any information Franchisor reasonably requests to evaluate the proposed assignment.

X. NON-COMPETITION

10.1 Restriction on Competitive Activities

- 10.1.1. **Scope and Duration.** During the term of this Agreement, and for one (1) year after its expiration or termination (for any reason), neither the Area Developer nor its Principal Equity Owners (including any entity owned, controlled, or managed by them) may invest in, own, operate, be employed by, consult with, advise, or otherwise engage or participate—directly or indirectly—in any business that offers products or services that are the same as or substantially similar to those offered under the “UG” brand, whether through retail outlets, online channels, or otherwise, within the Territory (or any area where the Franchisor or its affiliates conduct business or have disclosed an intention to do so).
- 10.1.2. **No Circumvention.** Area Developer and its Principal Equity Owners shall not circumvent this restriction by using a third party or affiliate as a proxy or by transferring any ownership interest in order to avoid or dilute the effect of this provision.
- 10.1.3. **No Solicitation of Employees.** During the same restricted period, Area Developer and its Principal Equity Owners shall not knowingly recruit or hire any of Franchisor's employees, trainers, consultants, or key personnel for a competing business, nor encourage such individuals to terminate or modify their employment or consultancy with Franchisor or its affiliates.
- 10.1.4. **Confidential Information.** The Area Developer and its Principal Equity Owners shall not disclose, use, or permit the use of any trade secrets or other confidential and proprietary information of the Franchisor in connection with a competing business, either during the term or after the expiration of this Agreement, subject to any separate confidentiality provisions herein.

- 10.1.5. Remedies for Breach. In the event of an actual or threatened breach of this Section 10.1, Franchisor shall be entitled to any and all remedies available at law or in equity, including but not limited to injunctive relief, to protect its interests without the requirement of posting a bond (to the extent permitted by law).

These restrictions in Sections 10.1 apply in addition to any other confidentiality, non-disclosure, or non-competition obligations found elsewhere in this Agreement. The parties acknowledge that these provisions are reasonable in scope and duration and are necessary to protect the legitimate business interests of the Franchisor.

XI. DEFAULT AND TERMINATION

11.1 General

- 11.1.1. In addition to Section 2.2 on Force Majeure, Franchisor may terminate this Agreement if Area Developer fails to comply substantially with any material obligation, after written notice and a reasonable (up to 30 days) opportunity to cure, or if Area Developer is in material breach of the Area Developer Agreement for any Tea Shop.

11.1.2. Right to Terminate for Failure to Provide Training.

If Franchisor fails to provide the mandatory training specified in this Agreement within the timeframes set forth herein (or as otherwise agreed in writing), and such failure continues for a period of thirty (30) days after written notice from Area Developer specifying the nature of the default, then Area Developer may terminate this Agreement by delivering a second written notice of termination to Franchisor, effective immediately upon receipt.

11.2 Operation of Opened Tea Shops After Termination or Expiration

If Franchisor terminates this Agreement for default, Area Developer (or affiliates) may continue to operate any Tea Shops opened prior to termination if they are not in material breach of the respective Franchise Agreements. However, Area Developer forfeits any further exclusive rights under this Agreement.

11.3 Termination by Franchisor. In addition to the other rights of termination provided elsewhere in this Agreement, Franchisor may terminate this Agreement upon the occurrence of any of the following conditions. Unless otherwise stated, Franchisor may exercise its right to terminate

immediately upon giving written notice to Area Developer.

11.3.1 Breach of Obligations.

Area Developer violates or fails to perform any of the obligations, representations, warranties, or covenants stipulated in this Agreement and fails to cure such violations within thirty (30) days after receiving written notice from Franchisor.

11.3.2. Failure to Make Timely Payments.

Area Developer fails to pay any sums due (e.g., royalties, fees, or other financial obligations) within twenty (20) days after receiving written notice from Franchisor.

11.3.3. Insolvency or Legal Proceedings.

Area Developer becomes insolvent or enters into dissolution, liquidation, bankruptcy, or company reorganization. Likewise, the Agreement may be terminated if a court or government order substantially impedes Area Developer's business operations.

11.3.4. Damage to Franchisor's Brand or Reputation.

Area Developer engages in any act or omission (including illegal or unethical conduct) that harms or has the potential to harm Franchisor's public image, brand, trademarks, or goodwill. Negative publicity or legal issues resulting from Area Developer's actions may justify immediate termination.

11.3.5. Failure to Maintain Operationing Standards.

Area Developer fails to conform to Franchisor's operational, product quality, customer service, or branding standards. If not corrected within thirty (30) days of notice, Franchisor may terminate.

11.3.6. Unapproved Assignments or Transfers.

Area Developer transfers, assigns, or encumbers its rights under this Agreement without Franchisor's prior written consent, constituting grounds for immediate termination.

11.3.7. Repeated Breaches.

Even if Area Developer cures individual breaches, Franchisor may terminate if multiple breaches occur (or reoccur) within any twelve (12) month period, reflecting a pattern of non-compliance.

11.3.8. Failure to Meet Development Schedule.

Area Developer does not achieve the milestones outlined in the Development Schedule (such as the timely opening of the required number of Tea Shops). Failure to correct such delays within thirty (30) days of notice may result in termination.

11.3.9. Legal Violations.

Area Developer is found to be in breach of local, national, or international laws or regulations that adversely affect Franchisor's interests or the Area Developer's ability to operate the franchise.

11.3.10. Failure to Adhere to Marketing and Advertising Guidelines.

Area Developer does not comply with Franchisor's marketing, advertising, or social media guidelines, including failing to obtain prior written approval for promotional materials. Repeated non-compliance after notice may lead to termination.

11.3.11. Failure to Attend or Implement Training.

Area Developer neglects to send required personnel for training or fails to implement Franchisor's required protocols. If not cured within thirty (30) days, Franchisor may terminate.

11.3.12. Prohibition on Political Activities.

Area Developer engages in or endorses political activities in violation of the Agreement, including making political commentary under the brand name. Such actions constitute a material breach warranting immediate termination.

11.3.13. Abandonment of Business.

Area Developer ceases to operate any franchised Tea Shop for more than five (5) consecutive days (except in force majeure circumstances) or otherwise abandons its obligations without Franchisor's written consent.

11.3.14. Failure to Maintain Insurance or Licenses.

Area Developer does not obtain or maintain in full force any insurance coverage or business licenses required by this Agreement or local laws. If Area Developer does not rectify the lapse within fifteen (15) days of receiving notice, Franchisor may terminate immediately.

11.3.15. Material Misrepresentations or Fraud.

Area Developer or its Principal Equity Owners make any false statements, conceal material facts in dealing with Franchisor, or otherwise commit fraud, whether in financial reporting, operations, or other areas related to the franchise business.

11.3.16. Unauthorized Disclosure of Confidential Information.

Area Developer or its Principal Equity Owners disclose or misuse any of Franchisor's confidential information (including trade secrets, recipes, manuals, or business strategies) in violation of the Agreement or any separate confidentiality obligations.

11.3.17. Breach of Non-Competition Obligations.

Area Developer or its Principal Equity Owners engage in competitive business activities contrary to the Agreement's non-compete provisions (e.g., investing in or operating a directly competing concept), which may result in immediate termination.

11.3.18. Persistent Negative Performance or Quality Issues.

Area Developer repeatedly fails to meet minimal quality, customer service, or financial benchmarks established by Franchisor (in writing), despite receiving notice and an opportunity to improve. Continuing substandard performance indicates a material breach, justifying termination.

11.4 Effect of Termination.

Upon termination for any of the reasons set forth above, Franchisor may avail itself of all legal and equitable remedies, including without limitation the right to discontinue Area Developer's right to develop additional Tea Shops, demand immediate payment of all outstanding fees, require cessation of the use of UG Trademarks, and seek injunctive relief to prevent further unauthorized use of Franchisor's intellectual property. Any continuing Tea Shops operations will be governed

by the terms of the applicable franchise agreement(s), subject to Franchisor's right to terminate those agreements for reasons stated therein or if Area Developer's breaches extend to those agreements. All rights not expressly granted to Area Developer will revert to Franchisor immediately upon termination.

XII. DISPUTE RESOLUTION

12.1 Mediation

Before initiating arbitration, the parties shall first attempt to resolve any dispute through good-faith settlement discussions between Franchisor and Area Developer. If they fail to reach a mutually acceptable resolution within sixty (60) days after the dispute first arises or after either party requests settlement discussions, they may submit the dispute to non-binding mediation in California. The mediation shall be administered by a neutral third party agreed upon by the parties, or, if they cannot agree, by a reputable mediation service selected by either party and acceptable to the other. Each party shall bear its own attorneys' fees and costs associated with the mediation, and the parties shall share equally the mediator's fees and other administrative expenses, unless otherwise agreed in writing. Mediation discussions and materials shall be treated as confidential settlement negotiations and may not be used or disclosed in any subsequent arbitration, litigation, or other proceeding except as required by law

12.2 Arbitration

If mediation fails, the dispute shall be resolved through binding arbitration administered by a single arbitrator of the American Arbitration Association, unless both parties agree otherwise. Hearings shall be held in California or via online system. The arbitrator may not award punitive damages or declare any UG Trademark generic or invalid. Judgment on the award may be entered in any court of competent jurisdiction.

12.3 Injunctive Relief

Any party may seek temporary or preliminary injunctive relief in a court of competent jurisdiction in California without first complying with the mediation or arbitration provisions if there is an imminent threat of irreparable harm.

12.4 Legal Fees and Expenses

The prevailing party in any arbitration or litigation is entitled to recover reasonable legal fees and costs from the losing party.

12.5 Survival

This Article XII survives expiration or termination of this Agreement.

XIII. NOTICES

13.1 Notice Requirements

All notices must be in writing and sent by reliable overnight courier or delivered in person. Notices are deemed given the next business day after deposit with a courier. Any changes to the addresses must be communicated promptly in writing.

13.1.1. Franchisor's Address:

_____ [Insert Address]
_____ [Insert Contact Person]

13.1.2. Area Developer's Address:

_____ [Insert Address]
_____ [Insert Contact Person]

XIV. GENERAL TERMS AND PROVISIONS

12.1. Governing Law and Forum Selection (California).

This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its conflict of laws principles. The parties hereby irrevocably consent and submit to the exclusive jurisdiction of the state and federal courts located within the State of California for any action or proceeding arising out of or relating to this Agreement. The parties expressly waive any objection based upon forum non conveniens or improper venue and further consent to service of process in accordance with the rules of such courts.

12.2. Modification. No change or amendment is valid unless in writing and signed by all parties.

12.3. Waiver and Delay. Franchisor's failure to exercise any rights or insist on strict compliance does not constitute a waiver for future breaches.

12.4. Severability; Partial Invalidity. If any provision is held invalid or unenforceable, it shall be modified only to the extent necessary to comply with law, and the remainder shall remain in full

force.

12.5. Titles for Convenience. Section titles are for convenience only and do not affect interpretation.

12.6. No Third-Party Beneficiaries. This Agreement benefits only the named parties (and their permitted successors and assigns).

12.7. Survival of Covenants. All obligations that by their nature survive termination (e.g., confidentiality, non-compete, indemnification) remain in effect.

12.8. Successors and Assigns. This Agreement is binding upon, and inures to the benefit of, successors and permitted assigns.

12.9. Counterparts. The Agreement may be executed in multiple counterparts, each considered an original.

12.10. Entire Agreement. This document, together with its Exhibits, is the entire agreement between the parties and supersedes all prior understandings or representations.

12.11 Death or Disability of Area Developer. In the event of the death or permanent disability of the Area Developer (or if the Area Developer is an entity, the death or permanent disability of its Principal Equity Owner), all rights and obligations under this Agreement shall continue in full force. The Area Developer's legal representative or estate must immediately notify Franchisor and ensure that a competent, qualified manager—approved by Franchisor—assumes active management of the Franchised Business. If, in Franchisor's sole judgment, the successor manager or the legal representative does not timely assume active management or is otherwise not qualified, Franchisor may, at its option, terminate this Agreement and require the Area Developer's estate or legal representative to comply with all post-termination obligations. Failure to promptly secure a competent manager or to otherwise comply with the terms of this Agreement following death or disability is deemed a material breach, entitling Franchisor to exercise any and all remedies herein.

12.12 Integration / Merger Clause.

This Agreement (together with any exhibits, schedules, or addenda expressly incorporated herein) constitutes the entire, final, and complete agreement between the parties with respect to its subject matter, and supersedes all prior or contemporaneous discussions, representations, negotiations, understandings, or agreements, whether oral or written. Each party acknowledges and agrees that in entering into this Agreement, it has not relied on any representations, warranties, statements, or promises that are not expressly set forth herein. No amendment, modification, or waiver of this

Agreement will be binding unless in writing and signed by both parties.

12.13 Superiority of Individual Franchise Agreement

All individual Franchise Agreements that Franchisor and Area Developer sign for UG Tea Shops within the Development Area are independent of this Agreement. The continued effectiveness of any individual Franchise Agreement does not depend on the continued effectiveness of this Agreement. If any conflict arises between this Agreement and any individual Franchise Agreement as to any individual UG Tea Shop, the terms of the individual Franchise Agreement will control.

[This Space Intentionally Left blank]

IN WITNESS WHEREOF, the parties executed this Agreement as of the Effective Date.

AREA DEVELOPER:

FRANCHISOR:

UNI GREEN INC

By: _____

[PRINTED NAME AND TITLE]

By: _____

Name: _____

Title: Chief Executive Officer

AREA DEVELOPER'S PRINCIPAL EQUITY
OWNERS:

*(Note: each Principal Equity Owner is signing
below as a party to this Agreement, and is
individually obligated to perform or guarantee the
performance by an entity Area Developer of all
duties and obligations of the Area Developer under
this Agreement)*

x _____

[PRINTED NAME]

x _____

[PRINTED NAME]

EXHIBIT 1 - DEVELOPMENT SCHEDULE

All Tea Shops will be opened at sites located in the “Development Area” described as follows:

Area Developer must open (and thereafter maintain) Tea Shops in accordance with the following schedule:

NUMBER OF TEA SHOP	DATE BY WHICH STORE MUST BE OPENED
1	
2	
3	
4	
5	

**STATE FRANCHISE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS**

EXHIBIT F

STATE FRANCHISE 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:

Department of Financial Protection and Innovation
2101 Arena Boulevard, Sacramento, CA 95834
Toll-free (866) 275-2677
(916) 445-7205

Hawaii:

Commissioner of Securities, Dept. of Commerce and
Consumer Affairs, Business Registration Div.,
Securities Compliance Branch
335 Merchant St., Rm. 203, Honolulu
HI 96813-2921
(808) 586-2722

Illinois:

Office of the Attorney General
Franchise Division
500 S. 2nd St., Springfield IL 62701-1771
(217)782-4465

Indiana:

Indiana Securities Division, Franchise Section
302 W. Washington St., Rm E111
Indianapolis, IN 46204-2738
(317) 232-7781

Maryland:

Office of the Attorney General
Securities Division
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:

Commissioner of Commerce
85 7th Pl. E., Ste 280
Saint Paul, MN 55101-3165
(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:

Securities Department
600 E. Boulevard Ave., 5th Flr.
Bismarck, ND 58505-0510
(701) 328-4712

Rhode Island:

Dept. of Business Regulations
Division of Securities
1511 Pontiac Ave. Bldg. 69-1
Cranston, RI 02920-4407
(401)462-9527

South Dakota:

Division of Insurance, Securities Regulation
124 S. Euclid Ave., Ste.104
Pierre SD 57501-3168

Virginia:

State Corporation Commission, Div. of Securities &
Retail Franchising
1300 E. Main St., 9th Flr.
Richmond, VA 23219-3630
(804) 371-9051

Washington:

Dept. of Financial Institutions
Securities Division
150 Israel Rd. SW, Tumwater, WA 98501-6456
(360) 902-8760

Wisconsin:

Securities Division
201 W. Washington Ave. Ste. 300
Madison, WI 53703-2640
(608) 266-8557

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 Financial Protection and
Innovation
Department of Financial Protection and
Innovation
2101 Arena Boulevard, Sacramento, CA 95834

Hawaii:

Commissioner of Securities
Dept. of Commerce and Consumer Affairs,
Business Registration Div., Securities
Compliance Branch
335 Merchant St., Rm. 203
Honolulu, HI 96813-2921
(808) 586-2722

Illinois:

Office of the Attorney General
Franchise Division
500 S. 2nd St., Springfield IL 62701-1771
(217)782-4465

Indiana:

Secretary of State
302 W. Washington St., Rm E111
Indianapolis, IN 46204-2738
(317) 232-7781

Maryland:

Maryland Securities Commissioner
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:

Commissioner of Commerce
85 7th Pl. E., Ste 280, Saint Paul, MN 55101-
3165
(651) 539-1600

New York:

Secretary of State
28 Liberty St., 21st Flr.,
New York, NY 10005-
1495
(212) 416-8236

North Dakota:

Securities Commissioner
600 E. Boulevard Ave., 5th Flr.
Bismarck, ND 58505-0510
(701) 328-4712

Rhode Island:

Director of the Division of Business Regulation
1511 Pontiac Ave. Bldg. 69-1
Cranston RI 02920-4407
(401)462-9527

South Dakota:

Director of the Division of Securities
124 S. Euclid Ave., Ste.104
Pierre SD 57501-3168

Virginia:

Clerk, Virginia State Corporation Commission
1300 E. Main St., 9th Flr.
Richmond, VA 23219-3630
(804) 371-9051

Washington:

Director of Financial Institutions
150 Israel Rd. SW
Tumwater, WA 98501-6456
(360) 902-8760

Wisconsin:

Administrator, Division of Securities
Department of Financial Institutions
201 W. Washington Ave. Ste. 300, Madison, WI 53703-
2640
(608) 266-8557

STATE SPECIFIC ADDENDA

**ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF CALIFORNIA**

In recognition of the requirement of the California Franchise Investment Law, Cal. Corporations Code Section 31000 et seq. the Franchise Disclosure for UNI GREEN INC. for use in the State of California shall be amended as follows:

1. Neither UNI GREEN INC. (“we” or “us”) nor any person identified in Item 2 of the Disclosure Document is currently 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. 78a, et seq., suspending or expelling such persons from membership in such association or exchange.

2. Item 5 of the Disclosure Document shall be supplemented with the following:

Payment of all initial fees is postponed until after all of Franchisor’s initial obligations are completed and Franchisee is open for business.

3. Item 17 of each chart of the Disclosure Document shall be supplemented to include the following:

California Business & Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or nonrenewal of a franchise. If the Franchise Agreement and Development Agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement and Development Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.A. Sec. 101 seq.)

The Franchise Agreement and Development Agreement contains a covenant not to compete which extends beyond the termination of the Franchise Agreement and Development Agreement. This provision may not be enforceable under California law.

You must sign a general release if you transfer your rights under the Franchise Agreement and Development Agreement. California Corporations 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 Regulations Act (Business and Professions Code 20000 through 20043).

4. Item 11 of the Disclosure Document shall be supplemented with the following:

The Antitrust Law Section of the Office of the California Attorney General views minimum or maximum price agreements as per se violations of the Cartwright Act.

5. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, prior to a solicitation of a proposed material modification of an existing franchise.

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. California's Franchise Investment Law (Corporations Code section 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

8. 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.

9. OUR WEBSITE 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.

10. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO MASTER FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF CALIFORNIA**

In recognition of the requirements of the California Franchise Investment Law, the parties to the attached Master Franchise Agreement (the "Agreement") hereby agree as follows:

1. Article 3.8 of the Agreement under the heading "Franchise Fee" is hereby added as following.

All the payment of fees is postponed until after all of Franchisor's initial obligations are completed and the first New Outlet is open for business.

2. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law are met independently without reference to this Amendment.

3. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

4. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties hereto have duly executed this California Amendment to the Master Franchise Agreement in duplicate on the date indicated below.

UNI GREEN INC.

By: _____
Name: _____
Title: CEO
Date: _____

FRANCHISEE

By: _____
Date: _____
Name: _____
Title: _____

STATE EFFECTIVE DATES

EXHIBIT H

State Effective Dates

The following states have franchise laws that 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 exempted from registration, as of the Effective Date stated below:

State	Effective Date
California	Pending
Illinois	Not Applicable
Indiana	Not Applicable
Maryland	Not Applicable
Michigan	Not Applicable
Minnesota	Not Applicable
New York	Not Applicable
North Dakota	Not Applicable
Rhode Island	Not Applicable
Virginia	Not Applicable
Washington	Not Applicable
Wisconsin	Not Applicable

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 I

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 UNI GREEN INC. 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.

Michigan, Oregon, and Washington require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If UNI GREEN INC. 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 the state agency listed on Exhibit F.

The franchisor is UNI GREEN INC., at 131 Continental Drive, Suite 301, Newark, Delaware 19713. Its telephone number is 951-903-2398.

Date of Issuance: February 1, 2025

The franchise seller for this offering is Kai Lung Cheng, Chief Executive Officer, 131 Continental Drive, Suite 301, Newark, Delaware 19713, 951-903-2398.

UNI GREEN INC. authorizes the respective state agencies identified on **Exhibit F** to receive service of process for it in the particular state.

I receive a disclosure document dated February 1, 2025 that included the following Exhibits:

- “A” Franchise Agreement
- “B” Financial Statements
- “C” List of Franchise Outlets
- “D” List of Terminated Franchises
- “E” Area Development Agreement
- “F” State Franchise Administrators and Agents for Service of Process
- “G” State Specific Addenda
- “H” State Effective Dates
- “I” Receipts

DATED: _____ (Do not leave blank)

Signature of Prospective Franchisee or Area Developer: _____

Print Name: _____

Please date and sign this page and then keep it 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 UNI GREEN INC. 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.

Michigan, Oregon, and Washington require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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- “E” Area Development Agreement
- “F” State Franchise Administrators and Agents for Service of Process
- “G” State Specific Addenda
- “H” State Effective Dates
- “I” Receipts

DATED: _____ (Do not leave blank)

Signature of Prospective Franchisee or Area Developer: _____

Print Name: _____

You may return the signed receipt either by signing, dating, and mailing it to 131 Continental Drive, Suite 301, Newark, Delaware 19713, 951-903-2398, or by e-mail to ug-service@2024ug.com.