

## SHARE SUBSCRIPTION AGREEMENT

THIS SHARE SUBSCRIPTION AGREEMENT (this “**Agreement**”) is made and entered into as of January 30, 2023 by and among:

- (1) **D’STRICT KOREA, INC.**, a company organized under the laws of the Republic of Korea (“**Korea**”) and having its registered office at 29 Teheran-ro 87-gil, Gangnam-gu, Seoul, Korea (the “**Company**”);
- (2) **MFIO GLOBAL DISCOVERY LIMITED**, a company organized under the laws of British Virgin Island and having its registered office at 2018 156th Ave NE, Building F, Suite 365 Bellevue WA 98007, USA (the “**Major Stockholder**”); and
- (3) **WAVEONE LIMITED**, a company organized under the laws of the Republic of Korea and having its registered office at 5<sup>th</sup> Floor (Yeoksam-dong, Gangnam Finance Center), 152 Teheran-ro, Gangnam-gu, Seoul, Korea (the “**Investor**”).

The Company, the Major Stockholder and the Investor are referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

## RECITALS

**WHEREAS**, the Company desires to issue to the Investor, and the Investor desires to subscribe for, a certain number of shares of redeemable preferred stock of the Company, having the rights, privileges and preferences set forth in Schedule I attached hereto (“**Subscription Shares**”) for an aggregate subscription price not exceeding KRW 80 billion, upon the terms and subject to the conditions set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the foregoing premises and the mutual covenants and agreements hereinafter set forth, and of other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

## ARTICLE 1. DEFINITIONS

- 1.1. Certain Definitions. Unless otherwise defined in this Agreement, the following terms shall have the respective meanings ascribed to them below:

“**Affiliate**” means, with respect to any specified Person, any other Person who, directly or indirectly, Controls, is Controlled by, or is under common Control with such Person, including, without limitation, any general partner, managing member, officer or director of such Person or any venture capital fund now or hereafter existing that is Controlled by one or more general partners or managing members of, or shares the same management company with, such Person.

“**Agreement**” has the meaning set forth in the Preamble.

**“Allocated Subscription Price”** means (a) with respect to the first Investment Round, KRW 40 billion and (b) for each subsequent Investment Round, the total subscription price notified by the Company to the Investor in the Subscription Request for such Investment Round, which in any case will be in units of KRW 10 billion.

**“Allocated Subscription Shares”** means for each Investment Round, such number of Subscription Shares issuable for the Allocated Subscription Price at the Per-Share Subscription Price.

**“Applicable Accounting Standards”** means in respect of a Person, the generally accepted accounting principles in the jurisdiction of such Person’s incorporation, consistently applied in accordance with past practice.

**“Business Day”** means any day that is not a Saturday, Sunday or other day on which banks are required or authorized by Law to be closed in Korea, the State of Delaware, Hong Kong, or the People’s Republic of China.

**“Closing”** means with respect to an Investment Round, the closing of the issuance and subscription of the Allocated Subscription Shares for such Investment Round.

**“Closing Date”** has the meaning set forth in Section 3.1(c).

**“Company”** has the meaning set forth in the Preamble.

**“Company Fundamental Warranties”** means the representations and warranties of the Company set forth in Sections 5.1 (Organization and Existence), 5.2 (Authorization and Enforceability), 5.3 (Approvals and Consents), 5.4 (Absence of Conflicts), 5.6 (Capitalization) and 5.7 (No Subsidiary or Other Shareholding).

**“Confidential Information”** means all confidential proprietary and non-public information, in any form, relating to the Group Companies (including their respective condition (financial or otherwise), assets, liabilities, business, operations, customers and prospects), this Agreement and the transactions contemplated hereby and any non-public information about the Parties and their respective Affiliates including, without limitation, their involvement in the transactions contemplated hereby. Confidential Information shall not include information that (a) is or becomes generally available to the public or (b) is already known to the recipient Party prior to disclosure or becomes known to the recipient Party, in each case other than by breach of any confidentiality undertaking. For the avoidance of doubt, Confidential Information includes the terms and conditions of this Agreement.

**“Consents”** has the meaning set forth in Section 4.1(h).

**“Contract”** means any contract, agreement, indenture, note, bond, loan, instrument, lease, conditional sales contract, mortgage, license, franchise, undertaking, commitment, or other binding understanding or arrangement (including all amendments, supplements and modifications thereto), whether or not in writing.

**“Control”** means, with respect to any Person, (a) the ownership, directly or indirectly, of voting securities possessing more than fifty percent (50%) of the voting power of such Person or (b) the ability, either directly or indirectly, to direct or cause the direction of or to influence the direction of such Person or the management of such Person, whether through ownership of voting securities or by contract or otherwise, and **“Controlling”** and **“Controlled”** have meanings correlative thereto.

**“Disclosure Schedule”** means the disclosure schedules delivered by the Company and attached as Schedule II to this Agreement.

**“DS Holdings”** means D’S TRICT HOLDINGS, INC.

**“Early Fund Raising Amount”** has the meaning set forth in Section 2.1(d).

**“Employee Terms and Conditions”** means the current employee benefit plans, employment rules, policies and terms and conditions of employment which are applicable to the Group Companies’ respective directors, officers and employees.

**“Encumbrance”** means any charge, mortgage, pledge, lien, hypothecation, retention of title, security interest, easement, option, right of first refusal, or voting trust agreement, or any other restriction on use, voting, transfer, or exercise of any other attribute of ownership.

**“Environmental, Health and Safety Laws”** means all Laws, or other legally binding requirements, of any applicable jurisdiction, relating to: (a) the release or threatened release of hazardous substances; (b) the reporting, licensing and/or clean-up of such release or otherwise relating to the generation, use, storage, disposal, transport or handling of hazardous substances; (c) occupational health and safety statutes and regulations; and (d) product-related health and safety laws and regulations.

**“Equity Securities”** means, with respect to any Person that is not an individual, (a) shares of capital stock of, or other equity or ownership interests in, such Person, (b) any rights, options or warrants to acquire shares of capital stock of, or other equity or ownership interests in, such Person and (c) any notes, bonds, debentures or other securities or rights, which are, by their terms, convertible into, or exercisable or exchangeable for, shares of capital stock of, or other equity or ownership interests in, such Person.

**“Event of Default”** means any one or more of the following events:

- (a) the Company or the Major Stockholder, as applicable, (i) breaches any of the Company Fundamental Warranties or the Major Stockholder Fundamental Warranties or (ii) breaches in any material respect any other representations and warranties contained in Article 5 (without giving effect to any materiality or similar qualifications therein), in each case, as of the date hereof and as of the Closing Date for any Investment Round (or, if made as of a specific date, as of such specific date);
- (b) the Company, DS Holdings or the Major Stockholder, as applicable, breaches any of its covenants or obligations under any Transaction Document and, in the case of

a breach that is curable and notified in writing to the Investor, such breach has not been cured within twenty (20) Business Days of such written notice to the Investor;

- (c) the Company, DS Holdings or the Major Stockholder files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or makes any assignment for the benefit of creditors or takes any material action in furtherance of any of the foregoing;
- (d) an involuntary petition is filed against the Company, DS Holdings or the Major Stockholder (unless such petition is dismissed or discharged within sixty (60) days under any bankruptcy statute now or hereafter in effect) or a custodian, receiver, trustee, assignee for the benefit of creditors (or other similar official) is appointed to take possession, custody or control of any property of the Company, DS Holdings or the Major Stockholder; or
- (e) any “Event of Default” under the Note Purchase Agreement or the Investment Agreement.

“**Final Subscription Amount**” has the meaning set forth in Section 2.1(a).

“**Financial Statements**” means (a) the audited consolidated financial statements of the Company, including the statement of financial position, profit and loss statement, cash flow statement and statement of appropriation of earnings or deficit, as of December 31, 2021 for the fiscal year then ended and (b) the unaudited consolidated financial statements of the Company, including the statement of financial position, profit and loss statement and cash flow statement, as of June 30, 2022 for the six (6) month period then ended.

“**Fundamental Warranties**” means the Company Fundamental Warranties, the Major Stockholder Fundamental Warranties and the Investor Fundamental Warranties.

“**Governmental Approval**” means any approval, authorization, consent, Order, license, permit, qualification, exemption, waiver, registration, notice or other filing, issued, granted, given or otherwise made available by or with the authority of any Governmental Authority.

“**Governmental Authority**” means (a) any national, provincial, local, foreign or international government or political subdivision or department thereof, (b) any governmental, regulatory or administrative authority, agency, board, bureau or commission, (c) any stock exchange or other self-regulatory organization, or (d) any court, tribunal, judicial body or arbitration panel.

“**Group Company**” means any of the Company and its Subsidiaries.

“**Indemnified Party**” means any Person claiming indemnification pursuant to Article 9.

“**Indemnifying Party**” means any Person against whom a claim for indemnification is being asserted under Article 9.

**“Intellectual Property”** means (a) inventions and improvements (whether patentable or not), patents, patent applications, patent licenses, know-how licenses, trade names, trademarks, service marks, logos, corporate names and copyrights and any registration, application for registration or right to register any of the foregoing under Law, (b) trade secrets, confidential information and proprietary information, (c) whether or not confidential, technology, know-how, data, manufacturing and other techniques, research and development information, drawings specifications, designs, plans, customer and supplier lists and information, (d) databases, computer software and other information technology, including operating systems, source codes and specifications and (e) all rights to bring Proceedings or recover damages or other losses for present or past infringement of any of the foregoing.

**“Investment Agreement”** means that certain investment agreement to be entered into by and between the Investor, the Company, the Major Stockholder and DS Holdings, in form and substance attached hereto as Exhibit VI.

**“Investment Round”** has the meaning set forth in Section 2.1(a).

**“Investment Schedule”** has the meaning set forth in Section 2.1(b).

**“Investor”** has the meaning set forth in the Preamble.

**“Investor Fundamental Warranties”** means the representations and warranties set forth in Sections 7.1 (Organization and Existence), 7.2 (Authorization and Enforceability), 7.3 (Approvals and Consents) and 7.4 (Absence of Conflicts).

**“Investor Indemnified Parties”** has the meaning set forth in Section 9.1.

**“IPO”** means (a) the initial public offering of the shares of common stock of DS Holdings pursuant to an effective registration statement filed under the Securities Act, as a result of which the shares of common stock of DS Holdings are listed for trading with the New York Stock Exchange, NASDAQ Stock Market, London Stock Exchange, Hong Kong Stock Exchange or such other internationally recognized stock exchange agreed between the Investor and the Major Stockholder (the **“Stock Exchange”**), or (b) a merger of DS Holdings with a special purpose acquisition company whose securities are publicly traded on the Stock Exchange (a **“SPAC”**), as a result of which the stockholders of DS Holdings receive publicly traded securities of the SPAC in exchange for their shares of common stock of DS Holdings pursuant to the rules and regulations of the relevant Stock Exchange.

**“IRR”** means, with respect to any amount of investment, as of any date of determination, the pre-tax annual internal rate of return, compounded annually, that results in a net present value equal to zero (0) when applied to the amount of such investment (expressed as negative) and the amounts of all yields, interests, dividends and other sums received on account of such investment (including any proceeds from sale, redemption, repurchase, repayment or other disposition of such investment) (expressed as positive), as calculated using the “XIRR” function in the most recent version of Microsoft Excel (or, if Microsoft Excel or its successor software is no longer available, a readily available equivalent thereof) and taking into account the timing of the foregoing.

**“IT Systems”** has the meaning set forth in Section 5.19.

**“Key Persons”** mean Lee Sungho, Lee Donghoon, Kim Junhan, Lee Sangjin, Park Sanghwa and Choe Eunsuk.

**“Knowledge of the Company”** means (a) the actual knowledge of (i) any of the directors, officers and statutory auditors (in each case, whether registered or unregistered) of the Group Companies or (ii) Wonjun Choi, or (b) the knowledge that any such foregoing Person would reasonably be expected to have after due inquiry in the performance of his or her duties.

**“Korea”** has the meaning set forth in the Preamble.

**“KRW”** means Korean Won, the lawful currency of Korea.

**“Law”** means any law, statute, Order, ordinance, regulation, public notice, guidance, or other rule issued, enacted or promulgated by any Governmental Authority.

**“Liabilities”** means any liabilities, indebtedness or obligations (whether known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, fixed or otherwise, or whether due or to become due), including any fines, penalties, losses, costs, interest, charges, expenses, damages, assessments, deficiencies, judgments, awards or settlements.

**“Liability Cap”** has the meaning set forth in Section 9.6.

**“Losses”** means any and all claims, liabilities, damages, fines, penalties, losses, costs and expenses (including amounts paid in settlement, interest, court costs and reasonable attorneys’ fees, and including any costs and expenses of remediation obligations).

**“Major Stockholder”** has the meaning set forth in the Preamble.

**“Major Stockholder Fundamental Warranties”** means the representations and warranties set forth in Sections 6.1 (Organization and Existence), 6.2 (Authorization and Enforceability), 6.3 (Approvals and Consents) and 6.4 (Absence of Conflicts).

**“Material Adverse Effect”** means any event, circumstance, development, state of facts, occurrence, change or effect that has or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on (a) the business, assets, condition (financial or otherwise) or results of operations of the Group Companies, taken as a whole; provided, that none of the following shall in and of itself constitute, and no event, circumstance, development, state of facts, occurrence, change or effect resulting from any of the following shall constitute, a Material Adverse Effect under clause (a): (i) changes in United States or Korean financial markets or world financial markets as a whole, (ii) changes in general economic conditions that affect the industries in which the Group Companies operate, (iii) any military action, armed hostilities or war (whether or not declared), or (iv) changes in Applicable Accounting Standards, in each case of the foregoing (i)-(iv) other than changes that disproportionately and adversely impact the Group Companies relative

to other companies in the industries in which the Group Companies operate; or (b) the ability of the Company to consummate the transactions contemplated hereby.

“**Material Contract**” means any of the following Contracts to which any Group Company is a party, it being understood that except as otherwise provided below, any threshold amount specified below with respect to any Contract shall be deemed to represent the aggregate amount for a series of all related transactions:

- (a) any Contracts relating to or evidencing (i) indebtedness (other than trade debt incurred in the Ordinary Course of Business) in an amount in excess of KRW 170,000,000, (ii) assumption or guarantee of any other Person’s Liabilities or (iii) creation of any Encumbrance over the assets that are material to any Group Company’s business;
- (b) any Contracts for purchase, supply or provision of goods or services, involving an amount in excess of KRW 300,000,000;
- (c) any Contracts relating to acquisition or disposition of real properties, personal properties or other assets involving an aggregate amount in excess of KRW 500,000,000;
- (d) any lease or rental Contracts of any real properties, personal properties or other assets, in which the sum of (i) the security deposit (if any) and (ii) the amount of a monthly lease or rent exceeds KRW 300,000,000;
- (e) any Contracts involving any license (from or to any Group Company as licensor or licensee) for the use of Intellectual Property involving an aggregate payment in excess of KRW 400,000,000;
- (f) any Contracts relating to capital expenditure by any Group Company in excess of KRW 100,000,000;
- (g) any Contracts with employees of any Group Company earning in excess of KRW 100,000,000 in annual salary;
- (h) any collective bargaining agreement and other Contracts with any labor union or the representative of employees representing a majority of employees;
- (i) any Contracts entered into with any Governmental Authority, involving an amount in excess of KRW 500,000,000;
- (j) any Contracts that contain any non-compete or similar provision restricting any Group Company from conducting any business activities or from competing with any Person;
- (k) any Contracts, of a legally binding nature, relating to any joint venture, partnership, strategic alliance or similar arrangement;

- (l) any Contracts involving any resolution or settlement of any actual or threatened Proceeding;
- (m) any Contracts involving any investment in any museum, exhibition or similar business in excess of KRW 300,000,000; and
- (n) any Related Party Contracts, involving an amount in excess of KRW 10,000,000.

**“Note Purchase Agreement”** means that certain convertible promissory note purchase agreement by and between DS Holdings, the Major Stockholder and the Investor, dated as of the date hereof, pursuant to which DS Holdings will issue a convertible promissory note to the Investor and such convertible promissory note issued to the Investor.

**“Operating Entity”** has the meaning set forth in Section 8.6(a).

**“Order”** means any outstanding order, ruling, judgment, writ, injunction, stipulation, award, decree or similar order of any Governmental Authority, whether preliminary or final.

**“Ordinary Course of Business”** means, with respect to any Group Company, the ordinary course of business of such Group Company consistent with its past custom and practice, but in any event in compliance with applicable Law.

**“Organizational Documents”** means, with respect to any Person that is not an individual, the certification of incorporation, articles of incorporation, bylaws, regulations, and other similar documents, instruments or certificates executed, adopted or filed in connection with the creation, formation or organization of such Person, including any amendments thereto.

**“Party”** or **“Parties”** has the meaning set forth in the Preamble.

**“Per-Share Subscription Price”** means KRW 500 (as appropriately adjusted for stock split or combination or other similar event).

**“Person”** means any individual, partnership, corporation, association, trust, unincorporated organization or other entity, including any Governmental Authority.

**“Pre-Closing Period”** has the meaning set forth in Section 8.2.

**“Prior SSA”** means the share subscription agreement, dated as of September 4, 2019, and the amendment agreement to the share subscription agreement, dated as of March 24, 2020, in each case, by and between the Company, Able Creation (HK) Industrial Limited and the other parties thereto.

**“Privacy Laws”** has the meaning set forth in Section 5.16.

**“Proceeding”** means any action, appeal, petition, plea, charge, complaint, claim, suit, demand, litigation, arbitration, mediation, hearing, inquiry, investigation, legal or administrative proceeding or other similar event, occurrence or proceeding by or before any Governmental Authority.



**“Project Fund Investors”** has the meaning set forth in Section 8.6(a).

**“Project Fund Raising”** has the meaning set forth in Section 8.6(a).

**“Qualified IPO”** means an IPO at a pre-offering valuation of DS Holdings of at least USD 700 million.

**“Related Parties”** means, with respect to any Group Company, the Persons falling under the definition of “Related Party” under Article 34(4) of the Enforcement Decree of the Korean Commercial Code, and includes without limitation, such Group Company’s current or former director, officer, manager, shareholder, principal, partner, member or Affiliate or any individual related by blood, marriage or adoption to any such Person, or any entity in which any such Group Company owns any beneficial interest.

**“Related Party Contracts”** means all Contracts entered into between any Group Company, on the one hand, and any of its Related Parties, on the other hand.

**“Representatives”** means, with respect to any Person, its Affiliates and its and their respective officers, directors, employees, members, shareholders (direct or indirect) or partners (including potential limited partners), accountants, auditors, insurers, counsel, consultants, financial advisors, financing sources, agents and other advisors and representatives.

**“Securities Act”** means the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

**“SPAC”** has the meaning set forth in the definition of “IPO”.

**“Statutory Auditor”** has the meaning set forth in Section 8.5.

**“Stock Exchange”** has the meaning set forth in the definition of “IPO”.

**“Subscription Expiry Date”** has the meaning set forth in Section 2.1(a).

**“Subscription Request”** has the meaning set forth in Section 2.1(c).

**“Subscription Shares”** has the meaning set forth in the Recitals.

**“Subsidiary”** means, with respect to any Person that is not an individual, any other Person (that is not an individual) that is directly or indirectly Controlled by such Person.

**“Tax”** means all taxes, including any interest, Liabilities, fines and penalties in respect of such taxes, payable to or imposed by any Governmental Authority of any relevant jurisdiction, including income taxes, payroll and employee withholding taxes, unemployment insurance, social security, sales and use taxes, excise taxes, franchise taxes, gross or net receipts taxes, occupation taxes, real and personal property taxes, ad valorem taxes, stamp taxes, transfer taxes, capital taxes, import duties, withholding taxes, workers’ compensation taxes, and other obligations of the same or of a similar nature.

“**Third Party Claim**” has the meaning set forth in Section 9.5(a).

“**Transaction Documents**” means (a) this Agreement, the Note Purchase Agreement and the Investment Agreement and (b) any and all agreements, documents and instruments executed between the Company, DS Holdings or the Major Shareholder on the one hand, and the Investor on the other hand, pursuant to or in connection with any of the agreements set forth in the foregoing clause (a) or the transactions contemplated hereby or thereby, including, without limitation, any Consents delivered pursuant to Section 4.1(h) of this Agreement, any written consents delivered pursuant to Section 4.5 of the Investment Agreement or Section 1.4(l) of the Note Purchase Agreement and any agreements for the Investor’s participation in any Project Fund Raising.

1.2. Construction. Unless otherwise provided in this Agreement:

- (a) (i) references herein to an Article, Section, Schedule or Exhibit are to an Article or Section of, or a Schedule or Exhibit to, this Agreement, (ii) references herein to an agreement, instrument or other document are to such agreement, instrument or document as amended, modified or supplemented from time to time and (iii) references herein to a statute are to such statute as amended from time to time and include any successor legislation thereto and any regulations promulgated thereunder;
- (b) the term “include” or “including” as used in this Agreement shall be deemed to be followed by the clause “without limitation”;
- (c) the term “hereof”, “herein” or “hereunder” or of similar import as used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement;
- (d) a singular noun shall be interpreted to include its plural form, and vice versa;
- (e) the word “or” shall not be exclusive;
- (f) the Exhibits and Schedules attached hereto or referred to herein are incorporated herein by reference and made an integral part of this Agreement to the same extent as if they were set forth verbatim herein; and
- (g) headings of Articles and Sections in this Agreement are used for convenience purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

## **ARTICLE 2. SHARE SUBSCRIPTION; PRICE AND PAYMENT**

2.1. Subscription for Subscription Shares.

- (a) Pursuant to the terms and subject to the conditions of this Agreement, on or prior to the third (3rd) anniversary of the date of this Agreement (the “**Subscription Expiry**”

**Date**”), the Company shall issue to the Investor, in one (1) or more investment rounds (each such issuance, an “**Investment Round**”), such number of Subscription Shares, at the Per-Share Subscription Price, for an aggregate subscription price that is at least KRW 50 billion but no more than KRW 80 billion (the “**Final Subscription Amount**”).

- (b) On or prior to June 30, 2024, the Company shall deliver to the Investor, in writing, an investment schedule setting forth (i) the Final Subscription Amount and (ii) with respect to each Investment Round, the proposed Closing Date, the Allocated Subscription Shares and the Allocated Subscription Price (the “**Investment Schedule**”). For the avoidance of doubt, following such delivery of the Investment Schedule, the Investor shall not have any obligation hereunder to subscribe for any additional Subscription Shares in excess of such number of Subscription Shares corresponding to the Final Subscription Amount set forth in the Investment Schedule.
- (c) Other than with respect to the first Investment Round, at least thirty (30) days prior to the end of each fiscal quarter after the date hereof and in accordance with the Investment Schedule (when delivered), the Company shall provide written notice to the Investor of each upcoming Investment Round (each, a “**Subscription Request**”) setting forth the Allocated Subscription Shares and the Allocated Subscription Price for each such Investment Round.
- (d) Until the delivery of the Investment Schedule pursuant to Section 2.1(b), the Investor may, in its sole discretion, invest in Project Fund Raisings, in total, up to an amount equal to (x) KRW 30 billion minus (y) the portion of the aggregate subscription price paid by the Investor for Subscription Shares *in excess of* KRW 50 billion (if any). The aggregate amount invested in Project Fund Raisings as of immediately prior to the delivery of the Investment Schedule shall be referred to as the “**Early Fund Raising Amount**”. The Final Subscription Amount set forth in the Investment Schedule shall be at least KRW 50 billion but shall not exceed an amount equal to (x) KRW 80 billion minus (y) the Early Fund Raising Amount (if any).
- (e) Following the delivery of the Investment Schedule pursuant to Section 2.1(b), the Investor may, in its sole discretion, invest in Project Fund Raisings, in total, up to an amount equal to (x) KRW 30 billion minus (y) the sum of the Early Fund Raising Amount (if any) and the portion of the Final Subscription Amount set forth in the Investment Schedule in excess of KRW 50 billion (if any).
- (f) If it is reasonably expected that the Company, in breach of Section 2.1(a), will not have issued to the Investor such number of Subscription Shares for an aggregate subscription price that is at least KRW 50 billion by the Subscription Expiry Date, the Investor shall have the option, in its sole discretion, to require the Company to issue to the Investor such number of Subscription Shares issuable for the balance amount, on the terms and conditions set forth in this Agreement, upon thirty (30) days’ prior written notice to the Company. The closing date for the issuance of

such Subscription Shares shall be the Subscription Expiry Date, and the Company shall take all necessary actions (including procuring all corporate approvals) to ensure that the closing occurs on such date.

- 2.2. Subscription for the Allocated Subscription Shares. Pursuant to the terms and subject to the conditions of this Agreement, at the Closing for each Investment Round, the Company shall issue to the Investor, and the Investor shall subscribe for, the Allocated Subscription Shares, free and clear of any Encumbrances.
- 2.3. Payment of the Allocated Subscription Price. At the Closing for each Investment Round, the Investor shall pay the Allocated Subscription Price by wire transfer of immediately available funds in KRW to the bank account which shall be designated by the Company and notified to the Investor in writing at least five (5) Business Days prior to the Closing Date for such Investment Round.

### ARTICLE 3. CLOSING

- 3.1. Time and Place of the Closing.
  - (a) The Closing for the first Investment Round shall take place at the offices of Bae, Kim & Lee LLC in Seoul, Korea (or such other place as the Investor and the Company may agree) on the later of (i) January 30, 2023 and (ii) the date falling one (1) Business Day after the satisfaction or waiver (by the Party entitled to waive such condition) of all of the conditions precedent set forth in Sections 4.1 and 4.2 (other than the conditions precedent that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), or such other date as the Company and the Investor may agree in writing.
  - (b) The Closing for each Investment Round subsequent to the first Investment Round shall take place at the offices of Bae, Kim & Lee LLC in Seoul, Korea (or such other place as the Investor and the Company may agree) on the date designated by the Investor in writing by the end of the relevant fiscal quarter in which the Subscription Request was delivered pursuant to Section 2.1(c) (which date shall in any event be within seven (7) Business Days following the end of such fiscal quarter) subject to the satisfaction or waiver (by the Party entitled to waive such condition) of all of the conditions precedent set forth in Sections 4.1 and 4.2 (other than the conditions precedent that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), or such other date as the Company and the Investor may agree in writing.
  - (c) For each Investment Round, the date on which the Closing takes place is referred to herein as the “**Closing Date.**”
- 3.2. Closing Obligation of the Company for the Closing. At the Closing for each Investment Round (unless otherwise specified below), the Company shall deliver to the Investor:

- (a) (i) the original share certificates representing the Allocated Subscription Shares, dated as of the date immediately following the Closing Date for such Investment Round or (ii) if share certificates are not requested by the Investor, the original certificate of non-issuance of share certificates with respect to the Allocated Subscription Shares, in form and substance reasonably satisfactory to the Investor, dated as of the date immediately following the Closing Date for such Investment Round and bearing the registered corporate seal of the Company;
- (b) a certified true copy of the Company's register of shareholders, dated as of the date immediately following the Closing Date for such Investment Round, reflecting the Investor as the registered owner of the Allocated Subscription Shares, free and clear of any Encumbrances;
- (c) a copy of the resolutions adopted by the Company's board of directors to authorize the issuance of the relevant Allocated Subscription Shares in accordance with this Agreement, and with respect to the Closing for the first Investment Round only, copies of resolutions of the Company's shareholders authorizing the appointment of the Statutory Auditor effective as of the Closing Date for such Investment Round in accordance with Section 8.5;
- (d) a certificate, dated as of the Closing Date for such Investment Round and executed by a duly authorized representative of the Company, in form and substance attached hereto as Exhibit I, certifying that all of the conditions precedent set forth in Section 4.1 have been duly satisfied (other than any such conditions precedent that are waived by the Investor in writing);
- (e) a certificate executed by a duly authorized representative of the Company, in form and substance attached hereto as Exhibit II, confirming receipt of the Allocated Subscription Price; and
- (f) such other documents as may be reasonably necessary, or reasonably requested by the Investor, to consummate the transactions contemplated hereby.

3.3. Closing Obligation of the Investor for the Closing. At the Closing for each Investment Round, the Investor shall:

- (a) make the payment of the Allocated Subscription Price to the Company in accordance with Section 2.3;
- (b) deliver to the Company, a certificate, dated as of the Closing Date for such Investment Round and executed by a duly authorized representative of the Investor, in form and substance attached hereto as Exhibit III, certifying that all of the conditions precedent set forth in Section 4.2 have been duly satisfied (other than any such conditions precedent that are waived by the Company in writing); and
- (c) such other documents as may be reasonably necessary, or reasonably requested by the Company, to consummate the transactions contemplated hereby.

- 3.4. Registration. On the Business Day immediately following the Closing Date for each Investment Round, the Company shall file for registration of the issuance of the Allocated Subscription Shares.

#### ARTICLE 4. CONDITIONS PRECEDENT

- 4.1. Conditions to the Investor's Obligations at the Closing. The obligation of the Investor to consummate the Closing for each Investment Round is subject to the satisfaction (or waiver by the Investor) of the following conditions at or prior to the Closing for such Investment Round:
- (a) there shall not have occurred any Event of Default at or prior to the Closing for such Investment Round;
  - (b) no Governmental Authority shall have issued, enacted, promulgated or enforced any Law or Order (that has not been vacated, withdrawn or overturned) restraining, enjoining, making illegal or otherwise prohibiting the consummation of the transactions contemplated hereby;
  - (c) there shall not have occurred a Material Adverse Effect;
  - (d) all Governmental Approvals and consents, approvals and waivers from third parties required to be obtained at or prior to the Closing for such Investment Round for the consummation of the transactions contemplated hereby and the execution, delivery and performance of the Transaction Documents shall have been obtained;
  - (e) each of the Note Purchase Agreement and the Investment Agreement shall have been duly executed and remain in full force and effect;
  - (f) the Investor shall have received duly executed non-competition undertakings from each of the Key Persons, substantially in the form attached hereto as Exhibit IV;
  - (g) the Investor shall have received a copy of the agreement duly executed by the parties to the Prior SSA, in form and substance reasonably acceptable to the Investor, whereby the Prior SSA is terminated on or prior to the Closing for the first Investment Round; and
  - (h) the Investor shall have received duly executed consents, substantially in the form attached hereto as Exhibit V of all of the then existing holders of the Equity Securities of DS Holdings (the "**Consents**").
- 4.2. Conditions to the Company's Obligations at the Closing. The obligation of the Company to consummate the Closing for each Investment Round is subject to the satisfaction (or waiver by the Company) of the following conditions at or prior to the Closing for such Investment Round:

- (a) (i) the Investor Fundamental Warranties shall be true and correct in all respects, as of the date hereof and as of the Closing Date for such Investment Round (or, if made as of a specific date, as of such specific date) and (ii) all other representations and warranties of the Investor contained in Article 7 shall be true and correct in all material respects (without giving effect to any materiality or similar qualifications therein), as of the date hereof and as of the Closing Date for such Investment Round (or, if made as of a specific date, as of such specific date);
- (b) the Investor shall have performed the covenants and obligations required to be performed by it at or prior to the Closing for such Investment Round;
- (c) no Governmental Authority shall have issued, enacted, promulgated or enforced any Law or Order (that has not been vacated, withdrawn or overturned) restraining, enjoining, making illegal or otherwise prohibiting the consummation of the transactions contemplated hereby; and
- (d) all Governmental Approvals and consents, approvals and waivers from third parties required to be obtained at or prior to the Closing for such Investment Round for the consummation of the transactions contemplated hereby and the execution, delivery and performance of the Transaction Documents shall have been obtained.

## **ARTICLE 5. REPRESENTATIONS AND WARRANTIES OF THE COMPANY**

The Company represents and warrants to the Investor that each of the statements contained in this Article 5 is true and correct as of the date hereof and as of the Closing Date for each Investment Round (or, if made as of a specific date, as of such specific date), except as set forth in the Disclosure Schedule.

- 5.1. Organization and Existence. Each Group Company is duly organized, validly existing and in good standing (where applicable) under the jurisdiction of its incorporation. Each Group Company has full corporate power and authority to carry on its business as is currently conducted and to own, lease and operate the properties and assets owned, operated or leased by it.
- 5.2. Authorization and Enforceability. The Company has full authority and capacity to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement has been duly executed and delivered by the Company, and constitutes the legal, valid and binding obligations of it and enforceable against it in accordance with its terms.
- 5.3. Approvals and Consents. The execution, delivery or performance by the Company of this Agreement or the consummation of the transactions contemplated hereby does not require any Group Company to (a) obtain any Governmental Approvals under any applicable Laws or (b) obtain any consents or approvals from, or provide notices to, any third party.
- 5.4. Absence of Conflicts. The execution, delivery and performance by the Company of this Agreement and the consummation of the transactions contemplated hereby will not (a) violate any Law applicable to the Group Companies, (b) conflict with or result in a breach

of, or constitute a default under, any material Contract to which a Group Company is a party or by which it is bound or (c) conflict with any of the provisions of the Organizational Documents of the Group Companies.

- 5.5. No Proceedings. There are no Proceedings pending or, to the Knowledge of the Company, threatened, against or affecting any Group Company that are reasonably likely to prohibit or restrain the ability of the Company to enter into this Agreement or to consummate the transactions contemplated hereby.
- 5.6. Capitalization.
- (a) Section 5.6(a) of the Disclosure Schedule sets forth the capitalization of each Group Company as of the date hereof. All shares of the Group Companies issued and outstanding have been duly authorized and validly issued and are fully paid and non-assessable.
  - (b) No Group Company holds any treasury shares.
  - (c) As of the date immediately following the Closing Date for such Investment Round, the Allocated Subscription Shares issued in such Investment Round shall have been duly authorized and validly issued and shall be fully paid and non-assessable.
  - (d) Other than statutory pre-emptive rights, (i) there are no outstanding pre-emptive or conversion rights, options or warrants in respect of capital stock of, or other equity or ownership interests in, any Group Company, (ii) there are no Contracts to which any Group Company is a party which entitles any Person to acquire any capital stock of, or other equity or ownership interests in, any Group Company and (iii) there are no dividends due to be paid and in arrears with respect to any capital stock of, or other equity or ownership interests in, any Group Company.
- 5.7. No Subsidiary or Other Shareholding. Except as set forth in Section 5.7 of the Disclosure Schedule, none of the Group Companies (a) has any Subsidiaries or (b) owns, of record or beneficially, any capital stock or other equity, ownership, proprietary or voting interest in any Person.
- 5.8. Financial Statements. The Financial Statements (a) have been prepared in accordance with the Applicable Accounting Standards, applied on a consistent basis, and (b) fairly present, in all material respects, the financial condition and results of operations of the Group Companies, as of the dates thereof and for the periods covered thereby (subject, in the case of interim financial statements only, to normal year-end audit adjustments, the net effect of which will not be material). True, correct and complete copies of the Financial Statements have been made available to the Investor.
- 5.9. Books and Records. All books of account, ledgers and other records of the Group Companies have been maintained consistently and accurately in all material respects in accordance with applicable Laws and the Applicable Accounting Standards.



- 5.10. No Undisclosed Liabilities. No Group Company has any Liabilities of any nature required to be disclosed in financial statements prepared in accordance with the Applicable Accounting Standards, except for (a) Liabilities recorded fully and accurately as liabilities, or fully reserved against, in the Financial Statements and (b) trade or business Liabilities incurred since June 30, 2022 in the Ordinary Course of Business and which are not, individually or in the aggregate, material in amount.
- 5.11. Governmental Approvals. Each Group Company has obtained and maintains in full force and effect all Governmental Approvals required to operate its business as currently conducted, or that are necessary for the lawful ownership of its properties and assets, and is in compliance in all material respects with the terms of all such Governmental Approvals. No written notice has been received by any Group Company to suggest that any such material Governmental Approvals should be suspended, cancelled, revoked or not renewed on substantially the same terms.
- 5.12. Compliance with Laws. Each Group Company has been and is in material compliance with all Laws applicable to it or to the conduct or operation of its business. To the Knowledge of the Company, no event has occurred, and there is no circumstance, that (with or without notice or lapse of time) may constitute or result in a material violation by any Group Company of any applicable Law. No Group Company has received any written notice or communication from any Governmental Authority of any alleged violation of any Law, and there is no pending or, to the Knowledge of the Company, threatened Proceeding against any Group Company with respect to any alleged violation of Law.
- 5.13. Material Contracts. True, correct and complete copies of all Material Contracts have been made available to the Investor. Each of the Material Contracts is in full force and effect and is the legal, valid and binding obligations of one or more of the Group Companies and each of the other parties thereto, enforceable in accordance with its terms. No Group Company or, to the Knowledge of the Company, any other party thereto, is in default under any Material Contract, and no event has occurred and is continuing that constitutes or with notice or the passage of time or both would constitute a default, or cause the claw-back of any amounts granted by Governmental Authorities, under any Material Contract, nor has any Group Company received any written notice regarding any violation or breach of, or default under, any Material Contract or of any intention to terminate, modify or claw-back any amounts granted by Governmental Authorities under, any Material Contract.
- 5.14. Property and Assets. Each Group Company has good, valid and marketable title to, or otherwise has the right to use pursuant to a valid and enforceable lease, license or similar contractual arrangement, free and clear of all Encumbrances, all of the assets that are used in or necessary or sufficient for the operation of its business as currently conducted. To the Knowledge of the Company, no event has occurred and is continuing, or is expected, that would adversely affect any Group Company's ownership or use of such assets as currently owned or used. No event has occurred and is continuing, or is expected, that would prevent, interfere with or materially delay the return of any deposit paid under any lease agreement entered into by any Group Company as lessee.
- 5.15. Intellectual Property.

- (a) Each Group Company has valid ownership of or rights to use, free and clear of all Encumbrances, all Intellectual Property owned or used (or held for use) by such Group Company in the conduct of its business. The Intellectual Property owned or licensed (as licensee) by a Group Company constitute all of the Intellectual Property that is sufficient and necessary to operate its business.
- (b) Any Intellectual Property owned by any Group Company is valid, enforceable and subsisting, in full force and effect, and has not been cancelled, expired or abandoned, and all maintenance fees and filings due in connection therewith have been paid and made prior to the applicable deadline.
- (c) No Group Company is infringing, misappropriating or otherwise violating, or has infringed, misappropriated or otherwise violated, any Intellectual Property rights of any Person. There is no Proceeding pending or, to the Knowledge of the Company, threatened against any Group Company by any Person alleging such infringement, misappropriation or violation or otherwise challenging or seeking to deny or restrict the use of any Intellectual Property by any Group Company.
- (d) To the Knowledge of the Company, no Person is infringing, misappropriating or otherwise violating any Intellectual Property rights of any Group Company. There is no Proceeding pending or threatened (including in the form of offers or invitations to obtain a license) against any Person by any Group Company alleging such infringement, misappropriation or violation.
- (e) All Intellectual Property developed, created, generated, discovered, conceived or reduced to practice by any former or current employee or officer of any Group Company during the course of his or her employment or engagement by such Group Company that are related to its business were “works for hire” and all Intellectual Property rights therein or thereto have been validly assigned to, or are exclusively owned by, such Group Company for reasonable compensation or otherwise in accordance with applicable Laws, or such Group Company has a valid and enforceable contractual right to demand such assignment.
- (f) The consummation of the transactions contemplated hereby will not result in the loss or impairment of any Group Company’s right to own or use any Intellectual Property used in the conduct of its business as it is currently conducted, nor will it require the payment of any additional amounts or require consent of any Governmental Authority or any other Person with respect to any such Intellectual Property.
- (g) Each Group Company has taken reasonably appropriate steps to guard the confidentiality of any non-public Intellectual Property and information possessed by it, including requiring its employees and Persons having access to trade secrets to be bound to non-disclosure obligations, and there has been no disclosure of such Intellectual Property or information that could materially impair the value of such Intellectual Property or information to any Group Company or otherwise materially injure any Group Company.

- 5.16. Data Protection. Each Group Company has been and is in material compliance with all Laws and Contracts, and its own rules, policies and procedures, relating to privacy, data protection and security, export, transfer and the online and offline collection and use of personal information (collectively, the “**Privacy Laws**”) in connection with its business. No Group Company has received any written notice of any claims or been charged with the violation of any such Privacy Laws by a Governmental Authority or any other Person.
- 5.17. Employment and Labor.
- (a) Each Group Company has been and is in compliance with all applicable employment and labor Laws, rules of employment, collective bargaining agreements and employment agreements, in all material respects.
  - (b) There is no labor strike or work stoppage pending or, to the Knowledge of the Company, threatened against any Group Company, and there is no material labor dispute or grievance, arbitration proceeding, or production or work slowdown pending or, to the Knowledge of the Company, threatened against any Group Company.
  - (c) No Group Company has a labor union nor is a party to or bound by any collective bargaining agreement. There are no claims of unfair labor practices pending against any Group Company.
  - (d) No Group Company has any obligation to compensate or make any payment of any kind to any director, officer or employee, other than (i) current obligations for payment of wages and salary, accrued but unused vacation pay and other benefits, all as expressly provided for in the Employee Terms and Conditions, and (ii) such severance pay obligations and social aid benefit obligations as are imposed by applicable Laws and expressly reflected in the Financial Statements.
  - (e) As of the date hereof, no senior executive or other key employee of any Group Company has stated his or her intention to terminate his or her employment prior to or as a result of or following the consummation of the transactions contemplated by this Agreement.
- 5.18. Environment, Health and Safety. Each Group Company has been and is in compliance in all material respects with all applicable Environmental, Health and Safety Laws and has all material Governmental Approvals necessary or proper under all applicable Environmental, Health and Safety Laws. No Group Company has received any notice from any Governmental Authority asserting any non-compliance with Environmental, Health and Safety Laws or threatening to revoke, cancel, adversely modify or refuse to renew any Governmental Approvals in connection with Environmental, Health and Safety Laws.
- 5.19. IT Systems. There have been no material failures, crashes or security breaches affecting the software, computer hardware firmware, networks, interfaces and related systems used by any Group Company (collectively, the “**IT Systems**”) which have caused material disruption to such Group Company’s business. The IT Systems (a) are adequate for, and operate and perform in all material respects as required in connection with, the operations

of the business of each Group Company as currently conducted or reasonably anticipated to be conducted, and (b) do not contain any “viruses,” “worms,” “trojan horses,” “bugs,” “faults” or other devices, errors, contaminants or effects. Each Group Company has a disaster recovery and security plan, procedure and facility and has taken all necessary steps to safeguard the availability, security and integrity of the IT Systems and all data and information stored thereon.

- 5.20. Insolvency; Liquidation. No Order has been made, petition filed or resolution passed for the winding up, dissolution or liquidation of any Group Company, or for the appointment of a liquidator, custodian or trustee for all or substantially all of its assets or for an administrative order in respect of it. No Group Company has commenced any other proceedings for itself under any bankruptcy, rehabilitation, reorganization, workout arrangement, adjustment of debt, release of debtors, dissolution, insolvency or similar Law of any jurisdiction, and there has not been any such proceeding commenced against it. No public auction, foreclosure, attachment, execution or other process has been levied on any of the assets of any Group Company.
- 5.21. Taxes. Each Group Company has duly and timely filed all Tax returns that are required to have been filed with the appropriate Tax authorities and has timely paid all Taxes (other than Taxes that are being contested in good faith and for which appropriate reserves have been set aside). Each Tax return filed by each Group Company fully and accurately reflects its Tax Liabilities for the relevant year or period. No penalty or deficiency for any amount of Tax has been asserted, or, to the Knowledge of the Company, threatened to be asserted, against any Group Company, and no audits or investigations relating to any Taxes are pending, or to the Knowledge of the Company, threatened against any Group Company by or before any Tax authorities.
- 5.22. Litigation. There are no Proceedings pending or, to the Knowledge of the Company, threatened against or involving any Group Company. There is no outstanding Order enjoining or directing any Group Company to take any action with respect to its business or assets.
- 5.23. Insurance. All of the insurance policies held by the Group Companies are in full force and effect. There is no default or breach (or event which with notice or lapse of time would become a default) under any such policies, and nothing has been done, or omitted to be done, whereby any such policies may become void or adversely modified. No such insurance policies will be terminated, cancelled or adversely modified as a result of any transaction contemplated under this Agreement. Each of the Group Companies maintains insurance policies required by applicable Laws and other insurance policies relating to its business and assets that are customarily obtained by businesses in the same industry in the region that such business is conducted.
- 5.24. Absence of Certain Changes. During the period from June 30, 2022 to the date hereof, (a) each Group Company has conducted its business in the Ordinary Course of Business, and (b) there has not been any material change, occurrence or development in the financial condition, properties, assets, liabilities, business or results of operations of the Group Companies, taken as a whole.

- 5.25. Related Party Transactions. All transactions between any Group Company and its Related Parties have been entered into and conducted on arm's length terms and conditions and in compliance with applicable Laws.
- 5.26. No Other Shareholder Agreements. Other than the Investment Agreement, no Group Company is or will be a party to, or otherwise bound by, any shareholders agreements, investment agreements or other similar Contracts setting forth any right or obligation of any Person as a shareholder of the Company or pertaining to the governance or management of any Group Company.
- 5.27. Finder's Fee and Commission. No Group Company will have any Liabilities or obligation to pay any fees or commissions to any broker, finder or other agent with respect to the transactions contemplated by this Agreement, for which the Investor or the Company could become liable or obligated.
- 5.28. Full Disclosure. All information and documents furnished by the Company to the Investor are complete and accurate, and all copies thereof so furnished are complete, correct and up-to-date copies. All forecasts, estimates and other statements so supplied have been made after due and proper consideration, and represent or will represent reasonable and fair expectations honestly held based on facts known to the Company. None of this Agreement, or any of the other agreements or instruments contemplated to be executed and delivered in connection with this Agreement, contains or will contain any misstatement of a fact or omits or will omit to state any fact necessary to render the statements contained herein and therein not misleading.

## **ARTICLE 6. REPRESENTATIONS AND WARRANTIES OF THE MAJOR STOCKHOLDER**

The Major Stockholder represents and warrants to the Investor that each of the statements contained in this Article 6 is true and correct as of the date hereof and as of the Closing Date for each Investment Round.

- 6.1. Organization and Existence. The Major Stockholder is duly organized, validly existing and in good standing (where applicable) under the jurisdiction of its incorporation.
- 6.2. Authorization and Enforceability. The Major Stockholder has full authority and capacity to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement has been duly executed and delivered by the Major Stockholder, and constitutes the legal, valid and binding obligations of it and enforceable against it in accordance with its terms.
- 6.3. Approvals and Consents. The execution, delivery or performance by the Major Stockholder of this Agreement or the consummation of the transactions contemplated hereby does not require the Major Stockholder to (a) obtain any Governmental Approvals under any applicable Laws or (b) obtain any consents or approvals from, or provide notices to, any third party.

- 6.4. Absence of Conflicts. The execution, delivery and performance by the Major Stockholder of this Agreement and the consummation of the transactions contemplated hereby will not (a) violate any Law applicable to the Major Stockholder, (b) conflict with or result in a breach of, or constitute a default under, any material Contract to which the Major Stockholder is a party or by which it is bound or (c) conflict with any of the provisions of the Organizational Documents of the Major Stockholder.

## **ARTICLE 7. REPRESENTATIONS AND WARRANTIES OF THE INVESTOR**

The Investor represents and warrants to the Company and the Major Stockholder that each of the statements contained in this Article 7 is true and correct as of the date hereof and as of the Closing Date for each Investment Round (or, if made as of a specific date, as of such specific date).

- 7.1. Organization and Existence. The Investor is duly organized and validly existing under the Laws of Korea.
- 7.2. Authorization and Enforceability. The Investor has full authority and capacity to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement has been duly executed and delivered by the Investor, and constitutes the legal, valid and binding obligations of it and enforceable against it in accordance with its terms.
- 7.3. Approvals and Consents. The execution, delivery or performance by the Investor of this Agreement or the consummation of the transactions contemplated hereby does not require the Investor to (a) obtain any Governmental Approvals under any applicable Laws or (b) obtain any consents or approvals from, or provide notices to, any third party.
- 7.4. Absence of Conflicts. The execution, delivery and performance by the Investor of this Agreement and the consummation of the transactions contemplated hereby will not (a) violate any Law applicable to the Investor, (b) conflict with or result in a breach of, or constitute a default under, any material Contract to which the Investor is a party or by which it is bound or (c) conflict with any of the provisions of the Organizational Documents of the Investor.
- 7.5. No Proceedings. There are no Proceedings pending or to the knowledge of the Investor, threatened against or affecting the Investor that are reasonably likely to prohibit or restrain the ability of the Investor to enter into this Agreement or to consummate the transactions contemplated hereby.

## **ARTICLE 8. COVENANTS**

- 8.1. Further Assurances. Each Party agrees and covenants to take, or cause to be taken, all actions, and do, or cause to be done, all things necessary, proper or advisable under any applicable Laws to consummate and make effective in the most expeditious manner possible the transactions contemplated by this Agreement and take such further action as may be reasonably required in order to carry out the full intent and purpose of this Agreement and to comply with the state or federal securities Laws or other regulatory

approvals, including (i) the preparation and filing of all forms, registrations, notifications and notices required to be filed to consummate the transactions contemplated by this Agreement, and (ii) the execution and delivery of any additional instruments necessary to consummate the transactions contemplated by this Agreement and to fully carry out the purposes of this Agreement. Additionally, each Party shall take, or cause to be taken, all actions, and do, or cause to be done, all things necessary, proper or advisable under any applicable Laws to fulfill all conditions precedent to this Agreement and shall not take any action after the date of this Agreement that would reasonably be expected to (x) delay the obtaining of, or result in not obtaining, any consent, clearance, expiration or termination of a waiting period, authorization, Order or approval of, or any exemption necessary to be obtained at or prior to the Closing or (y) cause any of the conditions precedent to the transactions contemplated by this Agreement to fail to be satisfied or to prevent, delay or impede the consummation of any transaction contemplated by this Agreement.

8.2. Conduct of Business. During the period between the date hereof and the Closing Date for the last Investment Round (the “**Pre-Closing Period**”), the Company shall not, and the Major Stockholder shall use best efforts to cause the Company not to, take any of the following actions without the prior written consent of the Investor (such consent not to be unreasonably withheld, conditioned or delayed):

- (a) establish or amend any Organizational Documents;
- (b) transfer Equity Securities (in any transaction or series of related transactions) in an amount equal to or greater than such number of Equity Securities, the transfer of which would result in a change of Control in the Company;
- (c) issue any Equity Securities;
- (d) declare, set aside or pay any dividends or other distributions, or acquire, redeem or dispose of any treasury stock;
- (e) make changes with respect to the capital structure, including split, consolidation, subdivision, reclassification, redemption, repurchase, cancellation, retirement or sale of any shares of capital stock or other equity or ownership interest, capital reduction or other form of return of capital;
- (f) make any material change to its organization, including by adoption of a voluntary plan of complete or partial liquidation, dissolution, restructuring, conversion, spin-off, comprehensive share exchange or transfer, transfer or acquisition of a business, acquisition of another entity, entrusted management or other similar transaction;
- (g) engage in any investment, acquisition or capital expenditure which would exceed more than thirty percent (30%) of the total assets of DS Holdings as set forth in its consolidated financial statements;
- (h) engage in any transaction or series of related transactions which results in the sale, licensing, transfer, establishment of an Encumbrance upon or other disposal of assets for an amount that exceeds KRW 5 billion; or

- (i) sell, license, transfer or cause any Encumbrance to be placed on any Intellectual Property which are material to its business.
- 8.3. Notification of Certain Matters. During the Pre-Closing Period, the Company shall, and the Major Stockholder shall use commercially reasonable best efforts to cause the Company to, give notice to the Investor of any of the following as promptly as reasonably practicable after such Party becomes aware thereof: (a) the occurrence of any event that has caused or is likely to cause any representation or warranty of the Company contained herein to be untrue, inaccurate or misleading, (b) any failure by the Company to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder, and (c) any change, event, condition or development that will, or that could reasonably be expected to, result in or cause a Material Adverse Effect; provided, however, that any such disclosure shall not in any way be deemed to amend, modify or in any way affect the representations, warranties and covenants made by any Party in or pursuant to this Agreement.
- 8.4. Access. During the Pre-Closing Period, the Company shall, and the Major Stockholder shall use best efforts to cause the Company to, provide the Investor, its Affiliates and its and their respective Representatives, with reasonable access (during normal business hours) to the directors, officers and employees, premises, real properties, contracts, and books and records of the Group Companies as the Investor may reasonably request, to the extent that such access does not unduly interfere with the ordinary operation of the Group Companies.
- 8.5. Appointment of Statutory Auditor. The Company shall ensure that an extraordinary general meeting of shareholders of the Company is convened on or prior to the Closing Date for the first Investment Round and one (1) individual nominated by the Investor is duly elected as the statutory auditor of the Company at such meeting with effect from the Closing Date for the first Investment Round (the “**Statutory Auditor**”). On the Business Day immediately following the Closing Date for the first Investment Round, the Company shall file for registration of the appointment of the Statutory Auditor with the court registry office of competent jurisdiction.
- 8.6. Project Fund Raising.
- (a) If any Affiliate of DS Holdings or the Company (including their respective Subsidiaries) engaged in the exhibition business (each an “**Operating Entity**”) conducts any fund raising in the form of project investment (“**Project Fund Raising**”) and provides the Investor and/or third parties opportunities to participate in such Project Fund Raising (the “**Project Fund Investors**”), the Investor, in its sole discretion, may invest up to fifty percent (50%) of the total funds raised in such Project Fund Raising in accordance with Sections 2.1(d) and 2.1(e).
  - (b) If the total amount contemplated for any Project Fund Raising exceeds two (2) times the total amount which the Investor may invest in Project Fund Raising as set forth in Sections 2.1(d) and 2.1(e), as applicable, the Major Stockholder, DS Holdings and the Company shall procure that the Operating Entity obtains the Investor’s prior written consent to such proposed Project Fund Raising.



- (c) Taking into account the specific circumstances and nature of each Operating Entity (including the details of its respective corporate form and business), the Parties will discuss in good faith the terms of each Project Fund Raising, including the method (which, for the avoidance of doubt, shall include capital contribution), timing and process involved.
  - (d) The Project Fund Investors participating in any Project Fund Raising shall have the right to receive returns on their investment amount from the relevant Operating Entity (including by way of declaration of dividends) in proportion to the size of their investment; provided, that the IRR in respect of such investment amount shall not exceed thirty percent (30%). The Major Stockholder, DS Holdings and the Company acknowledge and agree that the terms of any Project Fund Raising (including the rate of return) in which the Investor does not participate shall be no more favorable than those of any Project Fund Raising in which the Investor participates.
- 8.7. Joint and Several Obligations. The Major Stockholder shall be jointly and severally liable for all representations and warranties of the Company under this Agreement. For purposes of clarity and notwithstanding anything to the contrary herein or in any Transaction Document, the Major Stockholder shall not be liable for any monetary obligations of the Company, including, but not limited to, those under Schedule I to this Agreement, except in connection with its joint and several liabilities for indemnification pursuant to the foregoing sentence or any breach of its covenants, obligations or agreements set forth herein or in any Transaction Document, and subject to the Major Stockholder having used its best efforts to cause the Company to comply with such monetary obligations. The Major Stockholder shall not be entitled to seek any reimbursement or other recourse against the Company, its Subsidiaries and their respective officers, directors and employees for taking any action (including any indemnification in favor of the Investor Indemnified Parties) pursuant to this Section 8.7.
- 8.8. Dividends. To the extent permitted by applicable Law, within four (4) months of the end of each fiscal year, the Company shall, and the Major Stockholder shall cause the Company to, declare and pay to the Investor, as to each Subscription Share held by the Investor at such time, mandatory dividends calculated in accordance with the terms and conditions set forth in Schedule I. The Company shall, and the Major Stockholder shall cause the Company to, take all necessary actions in connection with the payment of such dividends to the Investor, including procuring corporate approvals and taking appropriate alternative corporate actions in accordance with applicable Law if there are insufficient profits or surplus from which the dividends can be paid.
- 8.9. Equity Incentive Plan. As soon as practicable following the date of this Agreement but in any event within two (2) months from the Closing Date for the first Investment Round, the Company and the Major Stockholder shall cause DS Holdings to (a) adopt an equity incentive plan, in form and substance reasonably acceptable to the Investor, providing for the grant of stock options exercisable for up to a total of 688,370 shares of common stock of DS Holdings (as appropriately adjusted for stock split or combination or other similar event) to DS Holdings' directors, officers, or employees upon a resolution of the board of

directors of DS Holdings, and (b) pursuant to such equity incentive plan, grant stock options exercisable for 594,078 shares of common stock of DS Holdings (as appropriately adjusted for stock split or combination or other similar event) to the Key Persons.

- 8.10. Bank of Korea Filing. As soon as practicable following the date of this Agreement but in any event within ten (10) Business Days from the Closing Date for the first Investment Round, the Company shall obtain the acknowledgment and acceptance by the Bank of Korea of all filings required to be made by the Company pursuant to the Foreign Exchange Transactions Act of Korea with respect to its obligations under Section 7.6(b) of the Investment Agreement.

## ARTICLE 9. INDEMNIFICATION

- 9.1. Indemnification by the Company. Subject to the limitations set forth in this Article 9, the Company shall indemnify and hold harmless the Investor and its Representatives (collectively, the “**Investor Indemnified Parties**”) from and against any Losses incurred by the Investor Indemnified Parties that arise out of or result from (a) any inaccuracy in or breach by the Company of any of the representations and warranties in Article 5 or (b) any failure by the Company to perform the covenants, obligations or agreements required to be performed by it under this Agreement.
- 9.2. Indemnification by the Investor. Subject to the limitations set forth in this Article 9, the Investor shall indemnify and hold harmless the Company from and against any Losses incurred by the Company that arise out of or result from (a) any inaccuracy in or breach by the Investor of any of the representations and warranties in Article 7 and (b) any failure by the Investor to perform the covenants, obligations or agreements required to be performed by it under this Agreement.
- 9.3. Materiality. For purposes of determining the amount of Losses under this Article 9 in respect of any inaccuracy in or breach of a representation or warranty, any materiality or similar qualification therein shall be disregarded and given no effect.
- 9.4. Specific Performance. Each Party acknowledges that any breach or threatened breach of any of the representations and warranties or any covenants or agreements by the Indemnifying Party may cause an Indemnified Party irreparable harm, which may not be adequately compensated for by monetary damages. Each Party therefore agrees that in the event of any such breach or threatened breach, the Indemnified Party shall be entitled, in addition to other remedies that the Indemnified Party may have under this Agreement or applicable Law, to seek specific performance of this Agreement against the Indemnifying Party. The right and remedy to seek specific performance shall not require the posting of any bond or any other security or proof of any amount of actual damage or that monetary damages would not provide an adequate remedy.
- 9.5. Third Party Claims.
- (a) If a claim by a third party is made against an Indemnified Party (a “**Third Party Claim**”), the Indemnified Party shall promptly, but by no later than thirty (30) days

after receiving notice thereof, notify the Indemnifying Party of such claim specifying (i) a brief summary of the material facts of the claim, if and to the extent known at the time of delivery of such notice, and (ii) a non-binding estimate of the aggregate amount of the Losses which are, or are reasonably expected to become, the subject of the claim, to the extent reasonably determinable based on information then available, provided, that delay in so notifying the Indemnifying Party shall not limit or detract from the Indemnified Party's right to seek indemnification hereunder unless the Indemnifying Party is actually prejudiced by such delay.

- (b) The Indemnifying Party shall have thirty (30) days after receipt of the notice to elect to undertake, conduct and control, through counsel of its own choosing and at its expense, the defense therefor, by delivery of written notice setting forth its election; provided, however, that (i) the Indemnified Party may participate in (but not control) such defense at the Indemnified Party's expense, and (ii) the Indemnifying Party shall have no right to assume the defense of any Third Party Claim (and the Indemnified Party shall be entitled to control the defense at the expense of the Indemnifying Party) if (A) the Third Party Claim seeks an injunction or other equitable relief as its principal remedy, or involves a criminal investigation, (B) the aggregate amount of Losses arising out of such Third Party Claim is reasonably likely to exceed the Liability Cap, or (C) the Indemnifying Party fails to conduct the defense of the Third Party Claim actively and diligently. The Indemnified Party shall, at the expense of the Indemnifying Party, reasonably cooperate with the Indemnifying Party to ensure the proper and adequate defense of any Third Party Claim and make available to the Indemnifying Party upon its reasonable request all records, materials and information under the possession or control of the Indemnified Party.
  - (c) If the Indemnifying Party does not notify the Indemnified Party within thirty (30) days after receipt of the Indemnified Party's notice of a claim of indemnity hereunder that it elects to undertake the defense thereof, the Indemnified Party shall have the option to, in its sole discretion, undertake, conduct and control, through counsel of its own choosing, the defense therefor at the expense of the Indemnifying Party.
  - (d) Whether or not the Indemnifying Party assumes the defense of a Third Party Claim for which the Indemnified Party has sought indemnification and/or defense, neither the Indemnified Party nor the Indemnifying Party shall settle, compromise, discharge, or admit any liability with respect to, such Third Party Claim without the other Party's prior written consent.
  - (e) Nothing contained in this Section 9.5 shall be construed as a limitation on the right of any Party to seek indemnification under Sections 9.1 and 9.2.
- 9.6. Survival. The representations and warranties contained in this Agreement shall survive the Closing and terminate at 5:00 PM Eastern Time on the date that is twenty four (24) months after the Closing Date for the last Investment Round; provided, that (a) the Fundamental Warranties shall survive indefinitely, and (b) the representations and warranties in Section

5.12 (Compliance with Laws), 5.17 (Employment and Labor), 5.18 (Environment, Health and Safety), 5.21 (Taxes) and 5.25 (Related Party Transactions) shall survive the Closing until the date that is one hundred and eighty (180) days following the expiration of the applicable statute of limitations. No claim for breach of any representation or warranty may be brought by any Indemnified Party against any Indemnifying Party after the expiration of the applicable survival period, except that if a written notice of a claim has been sent or given to the Indemnifying Party prior to the expiration of the applicable survival period, then such claim and the representations and warranties that are the subject of such claim will survive until such claim is finally resolved and (B) claims for fraud or intentional misrepresentation will survive the Closing indefinitely. The cumulative indemnification obligations for all Losses pursuant to this Agreement shall not exceed the Final Subscription Amount (the “**Liability Cap**”); provided that the foregoing limitation shall not apply to Losses based upon, arising out of, with respect to or by reason of (i) any inaccuracy in or breach of any of the Fundamental Warranties, (ii) any breach of any covenant or agreement in this Agreement or (iii) fraud or intentional misrepresentation.

## ARTICLE 10. TERMINATION

10.1. Termination. This Agreement may be terminated at any time before the Closing for the last Investment Round:

- (a) by mutual written agreement of the Company and the Investor;
- (b) by the Investor by written notice to the other Parties, upon the occurrence of an Event of Default; provided, that the Investor may not terminate this Agreement pursuant to this Section 10.1(b) if the Investor is in breach of this Agreement;
- (c) by the Company by written notice to the other Parties if there has been a breach of, or inaccuracy in, any representations or warranties under this Agreement that would result in the condition set forth in Section 4.2(a) not being satisfied; provided, that the Company may not terminate this Agreement pursuant to this Section 10.1(c) if the Company is in breach of this Agreement;
- (d) by the Company by written notice to the other Parties if there has been a breach of, or failure to perform, any covenant or agreement made by the Investor in any Transaction Document and such breach or failure has not been cured within ten (10) Business Days of the Investor’s receipt of written notice of such breach from the Company; provided, that the Company may not terminate this Agreement pursuant to this Section 10.1(d) if the Company is in breach of this Agreement;
- (e) by the Investor or the Company by written notice to the other Parties in the event that (i) there shall be any Law that makes the consummation of the transactions contemplated hereby illegal or otherwise prohibited or (ii) any Governmental Authority shall have issued an order restraining or enjoining the transactions contemplated hereby and such order shall have become final and non-appealable; or

- (f) by the Investor by written notice to the other Parties, upon the occurrence of a Material Adverse Effect.
- 10.2. Effect of Termination. The termination rights under Section 10.1 are in addition to any other rights the Parties may have under this Agreement, and the exercise of a termination right will not be an election of remedies. Subject to Section 10.3, if this Agreement is terminated pursuant to Section 10.1, all further obligations of the Parties under this Agreement shall terminate and no Party shall have any liability or continuing obligation to the other Party arising out of this Agreement, except that this Section 10.2 and Articles 1, 9, 11 and 12 shall survive any such termination. Notwithstanding anything to the contrary contained herein, no termination of this Agreement shall relieve any Party from liability for any breach of this Agreement occurring prior to such termination or, with respect to those provisions that survive such termination, prior to or following such termination, and the terminating Party's rights to pursue all legal remedies shall survive any such termination unimpaired.
- 10.3. Partial Termination. In the event of termination of this Agreement pursuant to Sections 10.1(b), (c), or (d), the terminating Party may, at its option, elect to terminate all or any part of this Agreement and/or the rights of the other Party hereunder. In the event of any such partial termination of this Agreement, all other provisions or rights and obligations of the Parties that are not so terminated shall continue to remain in effect.

## **ARTICLE 11. CONFIDENTIALITY**

Each Party shall maintain in confidence and not disclose to a third party any Confidential Information obtained from the other Party in connection with this Agreement or the transactions contemplated hereby, unless (a) the use of such information is necessary or appropriate in making any filing or obtaining any Governmental Approvals required for the consummation of the transactions contemplated hereby, or (b) the furnishing or use of such information is required by applicable Law; provided, that the Investor may disclose Confidential Information to its Representatives in connection with the transactions contemplated by this Agreement, so long as such Representatives are informed of the confidential nature of such information and are directed to treat such information confidentially.

## **ARTICLE 12. MISCELLANEOUS**

- 12.1. Taxes and Expenses. Except as otherwise expressly provided in this Agreement, each Party shall be responsible for and bear its own Taxes, fees, costs and expenses imposed, levied, assessed or incurred on or by such Party for or in connection with the negotiation, preparation, execution and performance of this Agreement and the transactions contemplated hereby, including, without limitation, fees and disbursements of legal counsel, regardless of whether the transactions contemplated hereby are consummated.
- 12.2. Governing Law. This Agreement and the rights and obligations of the Parties hereunder shall be governed by and construed in accordance with the Laws of Korea, without giving effect to any conflict of laws provisions thereof.

- 12.3. Jurisdiction. Any dispute or claim arising out of or related to this Agreement or the transactions contemplated hereby shall be submitted to the exclusive jurisdiction of the Seoul Central District Court as the court of first instance.
- 12.4. Assignment. No Party shall assign all or any part of its rights or obligations under this Agreement without the prior written consent of the other Parties; provided, however, that the Investor shall be permitted to assign to (a) any Affiliate of the Investor or (b) any lender or any Affiliate thereof as security for obligations to such lender in respect of the financing arrangements entered into in connection with the transactions contemplated under the Transaction Documents and any refinancings, extensions, refundings or renewals thereof.
- 12.5. Entire Agreement. This Agreement constitutes the entire agreement of the Parties in respect of the subject matter hereof and supersedes any prior expressions of intent or understandings, whether written or oral, with respect thereto.
- 12.6. Amendment; Waivers. This Agreement may be amended or modified only by an instrument in writing duly executed by the Parties. The failure or delay of any Party to require performance by another Party of any provision of this Agreement shall not affect its right to require performance of such provision nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy.
- 12.7. Severability. If any one or more of the provisions contained in this Agreement or any document executed in connection herewith is held to be invalid, illegal or unenforceable in any respect under any applicable Law, such provision shall be fully severable and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- 12.8. Notices. Each notice, demand or other communication to be given or made under this Agreement shall be in writing and delivered by hand or internationally recognized overnight air courier or transmitted by email to the recipient Party at its address, or email address, set out below (or such other address, or email address, as the recipient Party has specified to the other Party):

If to the Investor:

WAVEONE LIMITED  
5<sup>th</sup> Floor, Gangnam Finance Center  
152 Teheran-ro, Gangnam-gu  
Seoul, Korea  
Attn: Joon Suh; Jin Paek  
Email: jhsuh@imm.co.kr; jinh.paek@imm.co.kr

With a copy to (which copy shall not constitute notice):  
Bae, Kim & Lee LLC  
Tower B, Centropolis  
26 Ujeongguk-ro, Jongno-gu

Seoul 03161, Korea  
Attn: Ho Kyung Chang  
Email: hokyung.chang@bkl.co.kr

If to the Major Stockholder:

MFIO GLOBAL DISCOVERY LIMITED  
29/F, The Sun's Group Centre,  
No. 189 -200 Gloucester Road,  
Wan Chai, Hong Kong  
Attn: Xiaofei Yu  
Email: xiaofei@mfio.com

If to the Company:

D'STRICT KOREA, INC.  
9th floor, 29 Teheran-ro 87-gil,  
Gangnam-gu, Seoul, Korea  
Attn: Sungho Lee, Sunghee Ann  
Email: [sean@dstrikt.com](mailto:sean@dstrikt.com); shann@dstrikt.com

Any notice, demand or other communication so addressed to the relevant Party shall be deemed to have been duly given (a) if delivered by hand or internationally recognized overnight air courier, on the date actually delivered to the relevant address, and (b) if transmitted by email, on the date of transmission, provided, that if such day is not a working day in the place to which it is sent, such notice, demand or other communication shall be deemed delivered on the next following working day at such place.

- 12.9. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to constitute an original but all of which shall constitute one and the same instrument. An executed counterpart of a signature page to this Agreement delivered by facsimile or in pdf. format via electronic mail or executed electronically using DocuSign shall be as effective as a manually executed counterpart delivered in person.

*[signature pages follow]*

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

**INVESTOR**

**WAVEONE LIMITED**

By: \_\_\_\_\_

Name: Jin Heum Paek

Title: Director



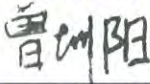


IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

**MAJOR STOCKHOLDER**

**MFIO GLOBAL DISCOVERY LIMITED**

*For and on behalf of*  
**MFIO Global Discovery Limited**

By:   
Name: ..... *Authorized Signature(s)*  
Title:

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

**COMPANY**

**D'STRICT KOREA, INC.**

D'STRICT KOREA, INC.  
9F, 29, Teheran-ro 87-gil, Gangnam-gu,  
Seoul, Republic of Korea  
By: \_\_\_\_\_  
Name: C E O LEE SUNG HO  
Title: \_\_\_\_\_



## **Schedule I**

### **Terms and Conditions of Redeemable Preferred Stock**

Reference is made to that certain Share Subscription Agreement (the “**Subscription Agreement**”) dated as of January 30, 2023 by and among D’SRICT KOREA, INC. (the “**Company**”), WAVEONE LIMITED and MFIO Global Discovery Limited. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Subscription Agreement.

#### **1. Basic Information**

- 1.1 General Matters: Redeemable Preferred Stock (“**RPS**”) is a class of capital stock with preferences in payment of dividends and distribution of residual assets upon liquidation of the Company and shall be subject to certain terms regarding redemption, as more particularly set forth below.
- 1.2 Share Allotment: In the event of any issuance of capital stock or any stock dividend, the Company shall allot to the holders of RPS the same class or series of capital stock as the class or series of capital stock that is proposed to be issued or distributed, except that in the case of a bonus issue, the Company shall allot to the holders of RPS such class or series of shares having the same terms as those of RPS.

#### **2. Voting Rights**

Holders of RPS shall not be entitled to any voting rights.

#### **3. Dividends**

- 3.1 Preferred Dividend Rate: The holders of RPS are entitled to receive dividends in preference to the holders of shares of common stock of the Company (“**Common Shares**”), and the minimum preferred dividend rate per annum is 12% of the per-share issue price of RPS (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to RPS).
- 3.2 Manner of Distribution: RPS is cumulative but non-participating preferred stock. Accordingly, if, in respect of any fiscal year, the holders of RPS receive dividends in an amount less than the amount they are entitled to receive based on the preferred dividend rate, then the cumulative amount of all such unpaid dividends shall be distributed to the holders of RPS in preference to any dividend on Common Shares in respect of the following fiscal year (and, for the avoidance of doubt, no dividends may be declared on Common Shares, unless and until all accrued preferred dividends have been declared and paid in full on RPS, and thereafter to the extent of the Company’s profits legally available for distribution).
- 3.3 Record Date for Distribution: For purposes of dividends distribution, RPS shall be

deemed to have been issued on the first (1<sup>st</sup>) day of the fiscal half-year period in which RPS was issued.

- 3.4 Timing of Dividend Payment: If, at a general meeting of shareholders declaring dividends, no decision is made as to the timing of payment of dividends on RPS, the Company shall pay the holders of RPS their respective portions of dividends so declared within one (1) month from the date of such general meeting, failing which the Company shall pay the holders of RPS as damages for delay an amount accruing at a compound rate of 16% per annum from the date immediately following the expiration of the aforesaid one (1) month period until the date of actual payment of all such declared but unpaid dividends.

#### 4. Distribution of Residual Assets

In the event of distribution of the Company's residual assets upon liquidation, the Company shall, prior to any payment to the holders of Common Shares by reason of their ownership thereof, pay to the holders of RPS an amount per-share equal to the sum of (a) the issue price of RPS (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to RPS) and (b) any dividends accrued pursuant to Article 3 but unpaid thereon.

#### 5. Redemption

- 5.1 Redemption Right: The holders of RPS shall be entitled to require the Company to redeem their shares of RPS in whole or in part, and the Company shall be entitled to redeem RPS, in each case, in accordance with the terms set forth in this Article 5, in which case the Company shall redeem the relevant shares to the extent permitted by applicable laws. Each redemption shall be deemed to take effect upon actual payment of the relevant redemption price to the holder of RPS exercising the redemption right.
- 5.2 Redemption Period: The holders of RPS may exercise the redemption right for RPS from the third (3rd) anniversary of the applicable issue date until the earlier of (a) the date of the Qualified IPO and (b) December 31, 2027 (the "**Expiration Date**"); provided, that, upon the occurrence of an Event of Default, the holders of RPS shall be entitled to exercise the redemption right at any time thereafter. The Company may elect to redeem RPS from the first (1st) anniversary of the applicable issue date until the Expiration Date.
- 5.3 Redemption Price: The per-share redemption price of RPS shall be equal to an amount that would provide an IRR of 12% on the per-share subscription price of RPS (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to RPS) with respect to the period commencing on the date of initial issuance of RPS until the date of actual redemption; provided, however, that in the event of redemption following breach of Section 8.8 of the Subscription Agreement, the applicable per-share redemption price of RPS shall be equal to an amount that would provide an IRR of 16% on the per-share subscription price of RPS (subject to appropriate adjustment in the event of any stock dividend, stock

split, combination or other similar recapitalization with respect to RPS) with respect to the period commencing on the date of initial issuance of RPS until the date of actual redemption.

- 5.4 Redemption Method: All shares of RPS sought to be redeemed shall be redeemed in cash on or prior to the date falling fifteen (15) days after the relevant redemption request is made.
- 5.5 Redemption upon Expiration: On the Expiration Date, the Company shall redeem all RPS then outstanding at the applicable redemption price; provided, however, that if the Company is prohibited by applicable law to redeem all or part of RPS then outstanding due to lack of distributable profits or for any other reason, the Company shall ratably redeem the maximum number of shares that it is permitted by such law to redeem, and shall redeem the remaining shares as soon as it may lawfully do so under such law. For the avoidance of doubt, the redemption price of any shares of RPS with respect to which the redemption has been so delayed shall be determined as of the date of actual redemption.

**Schedule II**  
**Disclosure Schedule**

## **Disclosure Schedule**

**January 30, 2023**

This disclosure schedule (“**Disclosure Schedule**”) is being delivered in connection with that certain Share Subscription Agreement, as may be amended from time to time (the “**Agreement**”), dated as of January 30, 2023, by and among D’S TRICT KOREA, INC., a company organized under the laws of the Republic of Korea (the “**Company**”), MFIO GLOBAL DISCOVERY LIMITED, a British Virgin Island business company, and WAVEONE LIMITED, a company organized under the laws of the Republic of Korea. Each section or subsection referenced in this Disclosure Schedule refers to the corresponding section or subsection of the Agreement. Terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

The representations and warranties of the Company set forth in the Agreement are made and given, as of the date of the Agreement and the Closing Date for each Investment Round, subject to the disclosures in this Disclosure Schedule. The headings contained in this Disclosure Schedule are for reference purposes only and shall not affect in any way the meaning or interpretation of the Agreement. Any fact or item disclosed in any part of this Disclosure Schedule shall qualify other sections and subsections of the Disclosure Schedule to the extent it is readily apparent from a reading of the disclosure that such disclosure is applicable to such other sections and subsections.

This Disclosure Schedule shall qualify the representations and warranties set forth in the Agreement and/or set forth other information required by the Agreement. The information contained in this Disclosure Schedule is disclosed solely for purposes of the Agreement, and no information contained herein will be deemed to be an admission or agreement by any Party to any third party of any matter whatsoever (including any violation of applicable Law, breach of contract, or admission of liability).

## **SCHEDULE 5.6(a)**

### Capitalization

5.6 (a)

<b>D'Strict Korea, Inc.</b>			
<b>Shareholder</b>	<b>Share Class</b>	<b>Number of Shares Outstanding</b>	<b>Share Ratio</b>
D'Strict Holdings, Inc.	Ordinary Shares	11,080,671	100%

The Company holds 100% of the interests of the following entities:

DSTRICK JEJU, INC., a company formed under the laws of Korea

<b>DSTRICK JEJU, INC.</b>				
<b>Shareholder</b>	<b>Share Class</b>	<b>Number of Shares Outstanding</b>	<b>Par Value</b>	<b>Share Ratio</b>
D'Strict Korea, Inc.	Ordinary Shares	240,000	KRW 5,000	100%

ASTRICT STUDIO, INC, a company formed under the laws of Korea

<b>ASTRICT STUDIO, INC.</b>				
<b>Shareholder</b>	<b>Share Class</b>	<b>Number of Shares Outstanding</b>	<b>Par Value</b>	<b>Share Ratio</b>
D'Strict Korea, Inc.	Ordinary Shares	108,000	KRW 5,000	100%

ARTE MUSEUM KOREA, INC., a company formed under the laws of Korea

<b>ARTE MUSEUM KOREA, INC.</b>				
<b>Shareholder</b>	<b>Share Class</b>	<b>Number of Shares Outstanding</b>	<b>Par Value</b>	<b>Share Ratio</b>
D'Strict Korea, Inc.	Ordinary Shares	20,000	KRW 5,000	100%

ARTE MUSEUM HK LTD, a company formed under the laws of Hong Kong

<b>ARTE MUSEUM HK, LIMITED.</b>				
<b>Shareholder</b>	<b>Share Class</b>	<b>Number of Shares Outstanding</b>	<b>Par Value</b>	<b>Share Ratio</b>
D'Strict Korea, Inc.	Ordinary Shares	3,000,000	HKD 1.00	100%



## SCHEDULE 5.7

### No Subsidiary or Other Shareholding

The following are wholly-owned subsidiaries of the Company:

ARTE MUSEUM HK LTD, a company formed under the laws of Hong Kong

ASTRICT STUDIO, INC, a company formed under the laws of Korea

DSTRICK JEJU, INC., a company formed under the laws of Korea

ARTE MUSEUM KOREA, INC., a company formed under the laws of Korea

<b>DSTRICK JEJU, INC.</b>				
Shareholder	Share Class	Number of Shares Outstanding	Par Value	Share Ratio
D'Strict Korea, Inc.	Ordinary Shares	240,000	KRW 5,000	100%

<b>ASTRICT STUDIO, INC.</b>				
Shareholder	Share Class	Number of Shares Outstanding	Par Value	Share Ratio
D'Strict Korea, Inc.	Ordinary Shares	108,000	KRW 5,000	100%

<b>ARTE MUSEUM KOREA, INC.</b>				
Shareholder	Share Class	Number of Shares Outstanding	Par Value	Share Ratio
D'Strict Korea, Inc.	Ordinary Shares	20,000	KRW 5,000	100%

<b>ARTE MUSEUM HK, LIMITED.</b>				
Shareholder	Share Class	Number of Shares Outstanding	Par Value	Share Ratio
D'Strict Korea, Inc.	Ordinary Shares	3,000,000	HKD 1.00	100%

**Exhibit I**

**Form of Certificate of the Company**

To: **WAVEONE LIMITED**  
5<sup>th</sup> Floor, Gangnam Finance Center  
152 Teheran-ro, Gangnam-gu  
Seoul, Republic of Korea

\_\_\_\_\_, \_\_\_\_\_

Dear Sirs,

**Closing Certificate**

Reference is made to the Share Subscription Agreement (the “**Agreement**”) dated January 30, 2023 by and among D’STRICK KOREA, INC. (the “**Company**”), MFIO Global Discovery Limited and WAVEONE LIMITED (the “**Investor**”). Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Agreement.

In accordance with Section 3.2(d) of the Agreement, the Company hereby certifies to the Investor that all of the conditions precedent set forth in Section 4.1 of the Agreement have been duly satisfied (other than any such conditions precedent that are waived by the Investor in writing) in connection with the [●] Investment Round.

**D’STRICK KOREA, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**Exhibit II**

**Form of Receipt**

To: **WAVEONE LIMITED**  
5<sup>th</sup> Floor, Gangnam Finance Center  
152 Teheran-ro, Gangnam-gu  
Seoul, Republic of Korea

\_\_\_\_\_, 2023

Dear Sirs,

**Receipt**

Reference is made to the Share Subscription Agreement (the “**Agreement**”) dated January 30, 2023 by and among D’STRICK KOREA, INC. (the “**Company**”), MFIO Global Discovery Limited and WAVEONE LIMITED (the “**Investor**”). Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Agreement.

In accordance with Section 3.2(e) of the Agreement, the Company hereby confirms receipt from the Investor by wire transfer of immediately available funds the entire amount of the Allocated Subscription Price for the [●] Investment Round required to be paid by the Investor under Section 2.3 of the Agreement.

**D’STRICK KOREA, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**Exhibit III**

**Form of Certificate of the Investor**

To: **D'STRICT KOREA, INC.**  
9th floor, 29 Teheran-ro 87-gil,  
Gangnam-gu, Seoul, Republic of Korea

\_\_\_\_\_, 2023

Dear Sirs,

**Closing Certificate**

Reference is made to the Share Subscription Agreement (the “**Agreement**”) dated January 30, 2023 by and among D'STRICT KOREA, INC. (the “**Company**”), MFIO Global Discovery Limited and WAVEONE LIMITED (the “**Investor**”). Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Agreement.

In accordance with Section 3.3(b) of the Agreement, the Investor hereby certifies to the Company that all of the conditions precedent set forth in Section 4.2 of the Agreement have been duly satisfied (other than any such conditions precedent that are waived by the Company in writing) in connection with the [●] Investment Round.

**WAVEONE LIMITED**

By: \_\_\_\_\_  
Name:  
Title:

**Exhibit IV**

**Form of Non-Competition Undertaking**

[Date]

WAVEONE LIMITED  
5<sup>th</sup> Floor (Yeoksam-dong, Gangnam Finance Center)  
152 Teheran-ro, Gangnam-gu  
Seoul, Republic of Korea

D'STRICT HOLDINGS, INC  
2018 156th Ave NE, Building F, Suite 365  
Bellevue WA 98007, USA

D'STRICT KOREA, INC.  
9th floor, 29 Teheran-ro 87-gil,  
Gangnam-gu, Seoul, Republic of Korea

Re: Non-Competition Undertaking

Dear Sirs,

1. Reference is made to (a) that certain Convertible Promissory Note Purchase Agreement (the “**Note Purchase Agreement**”), dated as of January 30, 2023, by and among D'STRICT HOLDINGS, INC. (“**DS Holdings**”), WAVEONE LIMITED (the “**Investor**”) and MFIO Global Discovery Limited (the “**Major Stockholder**”), pursuant to which, and subject to the terms and conditions set out therein, the Investor agreed to purchase a certain convertible promissory note from DS Holdings (the “**Note**”) and (b) that certain Share Subscription Agreement (the “**Subscription Agreement**”), dated as of January 30, 2023, by and among D'STRICT KOREA, INC. (“**DS Korea**” and together with DS Holdings, the “**Target Companies**”), the Investor and the Major Stockholder, pursuant to which, and subject to the terms and conditions set out therein, the Investor agreed to subscribe for a certain number of shares of redeemable preferred stock of DS Korea.
2. [name], a [current title of Employee] of [DS Holdings / DS Korea] (the “**Employee**”), hereby agrees and undertakes that until the earlier of (a) such date the Investor no longer holds any equity securities of DS Holdings, (ii) the fourth (4th) anniversary of the date of conversion of the Note issued pursuant to the Note Purchase Agreement and (iii) the date of completion of the Qualified IPO (as such term is defined in the Subscription Agreement), he will not directly or indirectly, own, manage, engage in, operate, control, consult with, render services for, do business with, or maintain any interest in (proprietary, financial or otherwise) any other business that competes with the business of the Target Companies without the prior written consent of the Investor.

3. The Employee further acknowledges and agrees that an actual or threatened breach of this letter would cause irreparable harm to the Investor and that remedies at law, including monetary damages, are not adequate to protect against a breach of this letter, and that the Investor shall be entitled to injunctive relief, specific performance and/or any other appropriate remedy for such breach or threatened breach as a remedy without proof of actual damages and without any requirement for the securing or posting of any bond in connection with any such remedy, and that the granting of such relief shall not be opposed on the basis that the Investor has an adequate remedy at law. Such remedies shall not be deemed to be the exclusive remedies for a breach of this letter, but shall be in addition to all other remedies available at law or in equity.
4. This letter shall be construed in accordance with and governed by the laws of the Republic of Korea. With respect to the disputes arising from this letter, the Seoul Central District Court shall have the exclusive jurisdiction.

Yours faithfully,

---

Name:

Title:

**Exhibit V**

**Form of Consent**

To: **WAVEONE LIMITED**

5<sup>th</sup> Floor (Yeoksam-dong, Gangnam Finance Center)  
152 Teheran-ro, Gangnam-gu  
Seoul, Republic of Korea

**D'STRICT KOREA, INC.**

9th floor, 29 Teheran-ro 87-gil,  
Gangnam-gu, Seoul, Republic of Korea

**D'STRICT HOLDINGS, INC.**

2018 156th Ave NE, Building F, Suite 365  
Bellevue WA 98007, USA

\_\_\_\_\_, 2023

**CONSENT**

Dear Sir/Madam,

Reference is made to (a) that certain Convertible Promissory Note Purchase Agreement (the “**Note Purchase Agreement**”), dated as of January 30, 2023, by and among D'STRICT HOLDINGS, INC. (“**DS Holdings**”), WAVEONE LIMITED (the “**Investor**”) and MFIO Global Discovery Limited (the “**Major Stockholder**”), (b) that certain Share Subscription Agreement (the “**Subscription Agreement**”), dated as of January 30, 2023, by and among D'STRICT KOREA, INC. (“**DS Korea**”), the Investor and the Major Stockholder and (c) that certain Investment Agreement, dated as of January 30, 2023, by and among, DS Holdings, DS Korea, the Investor and the Major Stockholder (the “**Investment Agreement**”).

Capitalized terms used but not defined herein shall have the meanings given to such terms in the Investment Agreement.

The undersigned hereby irrevocably and unconditionally:

- (i) acknowledges and consents to the execution, delivery and performance of the Note Purchase Agreement, the Subscription Agreement and the Investment Agreement and

the terms and conditions contained therein, including to the extent its consent is required for any transactions contemplated thereunder under any stockholders agreement, investment agreement or similar agreement entered into connection with DS Holdings or DS Korea;

- (ii) undertakes to execute and deliver all such instruments and documents and take all such actions as may be required to give full effect to the terms of the Note Purchase Agreement, the Subscription Agreement and the Investment Agreement (including voting in favor of any resolution approving an Exit Option at a General Meeting of Stockholders); and
- (iii) undertakes to, before transferring any of its Equity Securities of DS Holdings to a third party, procure that such third party executes a written consent, in form and substance substantially the same as this consent, and deliver a duly executed counterpart thereof to the Investor prior to the transfer of such shares to such third party, it being acknowledged and agreed that any transfer in violation of the foregoing shall be null and void *ab initio*.

Very truly yours,

[Equity Securities Holder]

By: \_\_\_\_\_  
Name:  
Title:



**Exhibit VI**  
**Form of Investment Agreement**

See attached.

## INVESTMENT AGREEMENT

THIS INVESTMENT AGREEMENT (this “**Agreement**”) is made and entered into as of January 30, 2023 by and among:

- (1) **D’SRICT KOREA, INC.**, a company organized under the laws of the Republic of Korea (“**Korea**”) and having its registered office at 29 Teheran-ro 87-gil, Gangnam-gu, Seoul, Korea (“**DS Korea**”);
- (2) **D’SRICT HOLDINGS, INC.**, a corporation organized under the laws of the State of Delaware, United States and having its registered office at 2018 156th Ave NE, Building F, Suite 365 Bellevue WA 98007, USA (“**DS Holdings**”, and together with DS Korea, the “**Target Companies**”, and individually a “**Target Company**”);
- (3) **MFIO GLOBAL DISCOVERY LIMITED**, a company organized under the laws of British Virgin Island and having its registered office at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (the “**Major Stockholder**”); and
- (4) **WAVEONE LIMITED**, a company organized under the laws of the Republic of Korea and having its registered office at 5<sup>th</sup> Floor (Yeoksam-dong, Gangnam Finance Center), 152 Teheran-ro, Gangnam-gu, Seoul, Korea (the “**Investor**”).

DS Korea, DS Holdings, the Major Stockholder and the Investor are referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

## RECITALS

**WHEREAS**, (a) DS Holdings, the Major Stockholder and the Investor entered into that certain Convertible Promissory Note Purchase Agreement, dated of even date herewith (the “**Note Purchase Agreement**”), pursuant to which, and subject to the terms and conditions set out therein, the Investor purchased a certain convertible promissory note from DS Holdings (the “**Note**”) and (b) DS Korea, the Major Stockholder and the Investor entered into that certain Share Subscription Agreement, dated as of even date herewith, pursuant to which, and subject to the terms and conditions set out therein, the Investor agreed to subscribe for a certain number of shares of redeemable preferred stock of DS Korea (the “**Subscription Agreement**”); and

**WHEREAS**, the Parties intend this Agreement to set forth their agreement regarding, among other things, the corporate governance, ownership, management, business, and other policy matters of DS Korea and DS Holdings and the respective rights and obligations of the Major Stockholder and the Investor as holders of Equity Securities (as defined below) in the Target Companies generally.

**NOW, THEREFORE**, in consideration of the foregoing premises and the mutual covenants and agreements hereinafter set forth, and of other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

## Article 1. Definitions

1.1. Certain Definitions. Unless otherwise defined in this Agreement, the following terms shall have the respective meanings ascribed to them below:

**“Affiliate”** means, with respect to any specified Person, any other Person who, directly or indirectly, Controls, is Controlled by, or is under common Control with such Person, including, without limitation, any general partner, managing member, officer or director of such Person or any venture capital fund now or hereafter existing that is Controlled by one or more general partners or managing members of, or shares the same management company with, such Person.

**“Agreement”** has the meaning set forth in the Preamble.

**“Applicable Accounting Standards”** means, in respect of a Person, the generally accepted accounting principles in the jurisdiction of such Person’s incorporation, consistently applied in accordance with past practice.

**“Big 4 Accounting Firms”** means KPMG, PricewaterhouseCoopers, Ernst & Young or Deloitte, or any other global accounting firm agreed by the Investor and the Target Companies.

**“Blended IRR”** means, with respect to the DSH Commitment Amount and the RPS Commitment Amount, as of any date of determination, an IRR obtained by dividing (a) the sum of (i) the RPS Commitment Amount multiplied by the IRR in respect of the RPS Commitment Amount and (ii) the DSH Commitment Amount multiplied by the IRR in respect of the DSH Commitment Amount, by (b) the sum of the RPS Commitment Amount and the DSH Commitment Amount, as illustrated in Schedule I attached hereto.

**“Board”** means, in respect of a Person, the board of directors of such Person.

**“Business Day”** means any day that is not a Saturday, Sunday or other day on which banks are required or authorized by Law to be closed in Korea, the State of Delaware, Hong Kong, or the People’s Republic of China.

**“Common Shares”** means, with respect to any Group Company, the shares of common stock of such Group Company.

**“Company Indemnified Parties”** has the meaning set forth in Section 9.2.

**“Confidential Information”** means all confidential proprietary and non-public information, in any form, relating to any Group Company (including its condition (financial or otherwise), assets, liabilities, business, operations, customers and prospects), this Agreement and the transactions contemplated hereby and any non-public information about the Parties and their respective Affiliates including, without limitation, their involvement in the transactions contemplated hereby. Confidential Information shall not include information that (a) is or becomes generally available to the public or (b) is already known to the recipient Party prior to disclosure or becomes known to the recipient Party, in each case other than by breach of any confidentiality undertaking. For the avoidance of doubt, Confidential Information includes the terms and conditions of this Agreement.

**“Consent Period”** has the meaning set forth in Section 4.1.

**“Contract”** means any contract, agreement, indenture, note, bond, loan, instrument, lease, conditional sales contract, mortgage, license, franchise, undertaking, commitment, or other binding understanding or arrangement (including all amendments, supplements and modifications thereto), whether or not in writing.

**“Control”** means, with respect to any Person, (a) the ownership, directly or indirectly, of voting securities possessing more than fifty percent (50%) of the voting power of such Person or (b) the ability, either directly or indirectly, to direct or cause the direction of or to influence the direction of such Person or the management of such Person, whether through ownership of voting securities or by contract or otherwise, and **“Controlling”** and **“Controlled”** have meanings correlative thereto.

**“Conversion Conditions”** means (a) the latest twelve (12) months operating EBITDA of DS Holdings for the period ending June 30, 2023 on a consolidated basis equals or exceeds USD 8.0 million; and (b) no Event of Default has occurred.

**“Conversion Securities”** has the meaning set forth in Section 4.1.

**“DS Holdings”** has the meaning set forth in the Preamble.

**“DS Korea”** has the meaning set forth in the Preamble.

**“DSH Auditor”** has the meaning set forth in Section 3.1.

**“DSH Commitment Amount”** means the sum of USD 5.0 million *plus* any amount paid by the Investor pursuant to the exercise of the Investor Call Option or the Major Stockholder Put Option.

**“DSK Auditor”** has the meaning set forth in Section 3.2.

**“EBITDA”** means, with respect to any Group Company, the Net Income *plus*, to the extent included in the determination of Net Income, (a) total income tax expense for such period, (b) total interest expense for such period, (c) total amortization and depreciation expense for such period and (d) any one-time non-recurring expenses for such period, and *less*, to the extent included in the determination of Net Income, (x) interest income for such period and (y) income tax credits for such period, in each case, excluding any transactions between the Group Companies.

**“Effective Date”** has the meaning set forth in Section 8.1.

**“EIP”** means the equity incentive plan of DS Holdings adopted by the Board of DS Holdings which provides for the grant of stock options exercisable for up to a total of 688,370 Common Shares of DS Holdings (as appropriately adjusted for stock split or combination or other similar event) to the directors, officers, or employees of DS Holdings upon a resolution of the Board of DS Holdings, of which stock options exercisable for 594,078 Common Shares of DS Holdings (as appropriately adjusted for stock split or combination or other similar event) shall have been granted as of the closing under the Note Purchase Agreement.

**“Encumbrance”** means any charge, mortgage, pledge, lien, hypothecation, retention of title, security interest, easement, option, right of first refusal, or voting trust agreement, or any other restriction on use, voting, transfer, or exercise of any other attribute of ownership.

**“Equity Securities”** means, with respect to any Person that is not an individual, (a) shares of capital stock of, or other equity or ownership interests in, such Person, (b) any rights, options or warrants to acquire shares of capital stock of, or other equity or ownership interests in, such Person and (c) any notes, bonds, debentures or other securities or rights, which are by their terms convertible into, or exercisable or exchangeable for, shares of capital stock of, or other equity or ownership interests in, such Person.

**“Event of Default”** means any one or more of the following events:

- (a) DS Holdings, DS Korea or the Major Stockholder, as applicable, breaches any of its representations or warranties under Article 2 of this Agreement as of the Effective Date;
- (b) DS Holdings, DS Korea or the Major Stockholder, as applicable, breaches any of its covenants or obligations under any Transaction Document and, in the case of a breach that is curable and notified in writing to the Investor, such breach has not been cured within twenty (20) Business Days of such written notice to the Investor;
- (c) DS Holdings, DS Korea or the Major Stockholder files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or makes any assignment for the benefit of creditors or takes any material action in furtherance of any of the foregoing;
- (d) an involuntary petition is filed against DS Holdings, DS Korea or the Major Stockholder (unless such petition is dismissed or discharged within sixty (60) days under any bankruptcy statute now or hereafter in effect) or a custodian, receiver, trustee, assignee for the benefit of creditors (or other similar official) is appointed to take possession, custody or control of any property of DS Holdings, DS Korea or the Major Stockholder; or
- (e) any “Event of Default” under the Note or the Subscription Agreement.

**“Exhibition Business”** means the Existing Business and the New Business.

**“Existing Business”** means the existing exhibition business conducted as of the date hereof at Arte Museum located in Jeju, Yeosu or Gangneung, Korea.

**“Exit Notice”** has the meaning set forth in Section 7.1(c).

**“Exit Option”** has the meaning set forth in Section 7.1(c).

**“Fully Diluted Basis”** means, when used with respect to the issued and outstanding share capital of any Group Company, the total number of all Common Shares of such Group Company

(or equivalent equity or ownership interests therein) which are or would be issued and outstanding assuming the full exercise, conversion or exchange of all Equity Securities or are otherwise reserved for issuance under any employee stock ownership plan or other equity incentive, purchase or participation plan for the benefit of employees, officers, directors, contractors, advisors or consultants (including the EIP).

**“General Meeting of Stockholders”** means, with respect to any Group Company, either an ordinary or extraordinary general meeting of stockholders (or equivalent equity owners) of such Group Company or, with respect to DS Holdings, an annual or special meeting of stockholders.

**“Governmental Authority”** means (a) any national, provincial, local, foreign or international government or political subdivision or department thereof, (b) any governmental, regulatory or administrative authority, agency, board, bureau or commission, (c) any stock exchange or other self-regulatory organization, or (d) any court, tribunal, judicial body or arbitration panel.

**“Group Company”** means any of DS Holdings and its Subsidiaries.

**“Intellectual Property”** means (a) inventions and improvements (whether patentable or not), patents, patent applications, patent licenses, know-how licenses, trade names, trademarks, service marks, logos, corporate names and copyrights and any registration, application for registration or right to register any of the foregoing under Law, (b) trade secrets, confidential information and proprietary information, (c) whether or not confidential, technology, know-how, data, manufacturing and other techniques, research and development information, drawings specifications, designs, plans, customer and supplier lists and information, (d) databases, computer software and other information technology, including operating systems, source codes and specifications and (e) all rights to bring Proceedings or recover damages or other losses for present or past infringement of any of the foregoing.

**“Investor”** has the meaning set forth in the Preamble.

**“Investor Call Closing Date”** has the meaning set forth in Section 5.1.

**“Investor Call Option”** has the meaning set forth in Section 5.1.

**“Investor Call Option Notice”** has the meaning set forth in Section 5.1.

**“Investor Indemnified Parties”** has the meaning set forth in Section 9.1.

**“Investor Rights Period”** has the meaning set forth in Section 4.2.

**“IPO”** means (a) the initial public offering of the Common Shares of DS Holdings pursuant to an effective registration statement filed under the Securities Act, as a result of which the Common Shares of DS Holdings are listed for trading with the New York Stock Exchange, NASDAQ Stock Market, London Stock Exchange, Hong Kong Stock Exchange or such other internationally recognized stock exchange agreed between the Investor and the Major Stockholder (the **“Stock Exchange”**), or (b) a merger of DS Holdings with a special purpose acquisition company whose securities are publicly traded on the Stock Exchange (a **“SPAC”**), as a result of

which the stockholders of DS Holdings receive publicly traded securities of the SPAC in exchange for their Common Shares of DS Holdings pursuant to the rules and regulations of the relevant Stock Exchange.

**“IRR”** means, with respect to the DSH Commitment Amount or the RPS Commitment Amount, as of any date of determination, the pre-tax annual internal rate of return, compounded annually, that results in a net present value equal to zero (0) when applied to the amount of the DSH Commitment Amount or the RPS Commitment Amount (as applicable) (expressed as negative) and the amounts of all yields, interests, dividends and other sums received on account of the Investor’s investment out of the DSH Commitment Amount or the RPS Commitment Amount (as applicable) (including any proceeds from sale, redemption, repurchase, repayment or other disposition) (expressed as positive), as calculated using the “XIRR” function in the most recent version of Microsoft Excel (or, if Microsoft Excel or its successor software is no longer available, a readily available equivalent thereof) and taking into account the timing of the foregoing, for which purpose the RPS Commitment Amount shall be assumed to have been paid as of the Effective Date, regardless of the timing of actual investment, as illustrated in Schedule I attached hereto.

**“Key Persons”** mean Lee Sungho, Lee Donghoon, Kim Junhan, Lee Sangjin, Park Sanghwa and Choe Eunsuk.

**“Korea”** has the meaning set forth in the Preamble.

**“KRW”** means Korean Won, the lawful currency of Korea.

**“Law”** means any law, statute, Order, ordinance, regulation, or other rule issued, enacted or promulgated by any Governmental Authority.

**“Losses”** means any and all claims, liabilities, damages, fines, penalties, losses, costs and expenses (including amounts paid in settlement, interest, court costs and reasonable attorneys’ fees, and including any costs and expenses of remediation obligations).

**“Major Stockholder”** has the meaning set forth in the Preamble.

**“Major Stockholder Put Closing Date”** has the meaning set forth in Section 5.2.

**“Major Stockholder Put Option”** has the meaning set forth in Section 5.2.

**“Major Stockholder Put Option Notice”** has the meaning set forth in Section 5.2.

**“Material Adverse Effect”** means any event, circumstance, development, state of facts, occurrence, change or effect that has or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, assets, condition (financial or otherwise) or results of operations of the Group Companies, taken as a whole; provided, that none of the following shall in and of itself constitute, and no event, circumstance, development, state of facts, occurrence, change or effect resulting from any of the following shall constitute, a Material Adverse Effect: (a) changes in United States or Korean financial markets or world financial markets as a whole, (b) changes in general economic conditions that affect the industries in which

the Group Companies operate, (c) any military action, armed hostilities or war (whether or not declared), or (d) changes in the Applicable Accounting Standards, in each case of the foregoing (a)-(d) other than changes that disproportionately and adversely impact the Group Companies relative to other companies in the industries in which the Group Companies operate.

“**Net Income**” means, for any computation period, with respect to the Group Companies, cumulative net income earned during such period as determined in accordance with Applicable Accounting Standards applied on a basis consistent with the Group Companies’ historical accounting methodologies, practices and procedures.

“**New Business**” means new exhibition business to be conducted in each of Las Vegas, United States and Chengdu, the People’s Republic of China.

“**Non-Competition Period**” has the meaning set forth in Section 7.2.

“**Note**” has the meaning set forth in the Recitals.

“**Note Purchase Agreement**” has the meaning set forth in the Recitals.

“**Offered Shares**” has the meaning set forth in Section 6.2(a).

“**Option Shares**” has the meaning set forth in Section 5.1.

“**Order**” means any outstanding order, ruling, judgment, writ, injunction, stipulation, award, decree or similar order of any Governmental Authority, whether preliminary or final.

“**Ordinary Course of Business**” means, with respect to any Group Company, the ordinary course of business of such Group Company consistent with its past custom and practice, but in any event in compliance with applicable Law.

“**Organizational Documents**” means, with respect to any Person that is not an individual, the certificate of incorporation, articles of incorporation, bylaws, regulations, and other similar documents, instruments or certificates executed, adopted or filed in connection with the creation, formation or organization of such Person, including any amendments thereto.

“**Party**” and “**Parties**” has the meaning set forth in the Preamble.

“**Person**” means any individual, partnership, corporation, association, trust, unincorporated organization or other entity, including any Governmental Authority.

“**Proceeding**” means any action, appeal, petition, plea, charge, complaint, claim, suit, demand, litigation, arbitration, mediation, hearing, inquiry, investigation, legal or administrative proceeding or other similar event, occurrence or proceeding by or before any Governmental Authority.

“**QIPO Target Date**” has the meaning set forth in Section 7.1(b).



**“Qualified Investor”** means any other Persons that hereafter become a new stockholder of DS Holdings by making an equity investment in DS Holdings at a pre-money valuation of no less than USD 250 million.

**“Qualified IPO”** means an IPO at a pre-offering valuation of DS Holdings of at least USD 700 million.

**“Representatives”** means, with respect to any Person, its Affiliates and its and their respective officers, directors, employees, members, stockholders (direct or indirect) or partners (including potential limited partners), accountants, auditors, insurers, counsel, consultants, financial advisors, financing sources, agents and other advisors and representatives.

**“RPS Commitment Amount”** means KRW 80 billion.

**“Securities Act”** means the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

**“Shares”** means, with respect to any Person, shares of any series or class of capital stock of such Person.

**“SPAC”** has the meaning set forth in the definition of “IPO”.

**“Stock Exchange”** has the meaning set forth in the definition of “IPO”.

**“Subscription Agreement”** has the meaning set forth in the Recitals.

**“Subsidiary”** means, with respect to any Person that is not an individual, any other Person (that is not an individual) that is directly or indirectly Controlled by such Person.

**“Tag-Along Exercise Notice”** has the meaning set forth in Section 6.2(c).

**“Tag-Along Notice”** has the meaning set forth in Section 6.2(b).

**“Tag-Along Offer Period”** has the meaning set forth in Section 6.2(c).

**“Tag-Along Right”** has the meaning set forth in Section 6.2(a).

**“Tag-Along Sale”** has the meaning set forth in Section 6.2(a).

**“Tag-Along Shares”** has the meaning set forth in Section 6.2(c).

**“Target Company”** and **“Target Companies”** has the meaning set forth in the Preamble.

**“Target Return”** means, as of any date of determination, an amount that would yield a Blended IRR equal to fifteen percent (15%) to the Investor; provided that if (a) such date of determination falls on or after January 1, 2028 and on or before December 31, 2028, (b) as of January 1, 2028, all Shares of DS Korea acquired by the Investor pursuant to the Subscription Agreement have been fully redeemed in accordance with its terms, and all other investments made in any Affiliate of DS Holdings or DS Korea by the Investor out of the RPS Commitment Amount

pursuant to the Subscription Agreement through participation in any Project Fund Raising (as defined in the Subscription Agreement) have been fully redeemed, repaid (together with any agreed interest or yield) or otherwise recovered (together with any agreed return) by the Investor in accordance with the respective terms of such investments, (c) as of January 1, 2028, all or any part of the Note remains outstanding or the Investor holds any Conversion Securities (or any Shares of DS Holdings issued upon conversion thereof) or any Option Shares and (d) none of DS Holdings, DS Korea and the Major Stockholder is in breach of any of its covenants or obligations under any Transaction Document, the Target Return shall mean an amount equal to the sum of (i) the amount that yields a Blended IRR equal to fifteen percent (15%) to the Investor as of December 31, 2027 and (ii) an amount accruing thereon at the rate of fifteen percent (15%) per annum with respect to the period commencing on January 1, 2028 and ending on such date of determination. Notwithstanding the foregoing, following January 1, 2028, if the Target Companies and their Affiliates, taken as a whole, despite the Target Companies and the Major Stockholder having used best efforts, have insufficient cash or other assets or profits legally available for redemption, repayment, distribution or other payment to ensure the payment of the Target Return to the Investor, the Parties shall discuss in good faith to find mutually acceptable alternative target return and other related terms of the Transaction Documents (it being understood that the terms of any Transaction Document, including the definition of the Target Return in this Agreement, shall remain in full force and effect unless and until specifically amended in writing signed by the parties thereto); provided that none of the Target Companies and the Major Stockholder shall have intentionally misused the aforesaid mechanism to force or induce the Investor to discuss or consider any alternative target return or other related terms that may be less favorable to the Investor than the Target Return or such other related terms applicable to the Investor under the Transaction Documents.

**“Transaction Documents”** means (a) this Agreement, the Note Purchase Agreement, the Note and the Subscription Agreement and (b) any and all agreements, documents and instruments executed between DS Holdings, DS Korea or the Major Stockholder on the one hand, and the Investor on the other hand, pursuant to or in connection with any of the agreements set forth in the foregoing clause (a) or the transactions contemplated hereby or thereby, including, without limitation, any written consents delivered pursuant to Section 4.5 of this Agreement, Section 1.4(l) of the Note Purchase Agreement or Section 4.1(h) of the Subscription Agreement and any agreements for the Investor’s participation in any Project Fund Raising (as defined in the Subscription Agreement) pursuant to the Subscription Agreement.

**“USD”** means United States Dollars, the lawful currency of the United States of America.

1.2. Interpretation. Unless otherwise provided in this Agreement:

(a) (i) references herein to an Article, Section, Schedule or Exhibit are to an Article or Section of, or a Schedule or Exhibit to, this Agreement, (ii) references herein to an agreement, instrument or other document are to such agreement, instrument or document as amended, modified or supplemented from time to time and (iii) references herein to a statute are to such statute as amended from time to time and include any successor legislation thereto and any regulations promulgated thereunder;

(b) the term “include” or “including” as used in this Agreement shall be deemed to be followed by the clause “without limitation”;

(c) the term “hereof”, “herein” or “hereunder” or of similar import as used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(d) a singular noun shall be interpreted to include its plural form, and vice versa;

(e) the word “or” shall not be exclusive;

(f) the Exhibits and Schedules attached hereto or referred to herein are incorporated herein by reference and made an integral part of this Agreement to the same extent as if they were set forth verbatim herein; and

(g) headings of Articles and Sections in this Agreement are for convenience purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

## **Article 2. Representations and Warranties.**

Each Party represents to the other Parties that each of the statements contained in this Article 2 is true and correct as of the Effective Date:

(a) Power and Authority. Such Party has the full power and authority to enter into, execute and deliver this Agreement and to perform the transactions contemplated hereby, and carry out its obligations hereunder, and such Party is duly incorporated or organized and existing, and in good standing (where applicable) under the Laws of the jurisdiction of its incorporation or organization and the execution and delivery by such Party of this Agreement and the performance by such Party of the transactions contemplated hereby have been duly authorized by all necessary actions of such Party.

(b) Enforceability. Assuming the due authorization, execution and delivery hereof by the other Parties, this Agreement constitutes the legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors’ rights generally.

(c) Non-Conflict. The execution, delivery and performance of this Agreement by such Party and the consummation of the transactions contemplated hereby will not (i) violate any provision of the Organizational Documents of such Party; (ii) require such Party to obtain any governmental approvals or other third-party consents; (iii) conflict with or result in any material breach or violation of any of the terms and conditions of, or constitute (or with notice or lapse of time or both constitute) a default under, any Contract to which such Party is a party or by which such Party is bound; or (iv) violate any Law applicable to such Party.

## **Article 3. Corporate Governance**

3.1. DS Holdings Auditor. For so long as the Note is outstanding or the Investor holds any Shares of DS Holdings, the Investor shall have the right to appoint an individual to serve as an internal auditor of the Board of DS Holdings (the “**DSH Auditor**”). The Investor and DS Holdings acknowledge and agree that the DSH Auditor shall have the rights and obligations set forth in this Section 3.1 and is not an outside, third party auditor. To the maximum extent permitted by applicable Laws, the DSH Auditor shall have rights and privileges commensurate with those of a “Statutory Auditor” under the Korean Commercial Code, *mutatis mutandis*, including, the following:

(a) the DSH Auditor is entitled to investigate the financial condition of any Group Company by accessing the books and records of any Group Company and monitoring the performance of the Board of DS Holdings with regard to their duties;

(b) the DSH Auditor may, at any time, request the Board of DS Holdings to report on the operations of DS Holdings or may inspect the business and status of the property of DS Holdings;

(c) the DSH Auditor may, but is not obligated to, attend and present his/her opinion at any meetings of the Board of DS Holdings; and

(d) the DSH Auditor may request the Board of DS Holdings to call a special meeting of the stockholders by submitting to the Board of DS Holdings a proposed agenda to be resolved and the reasons for calling such meeting.

3.2. DS Korea Auditor. For so long as the Investor holds any Shares of DS Korea, the Investor shall have the right to appoint an individual to serve as the “Statutory Auditor”, as such term is defined under the Korean Commercial Code, of DS Korea (the “**DSK Auditor**”).

3.3. Appointment. The Investor shall have the exclusive right to (a) appoint, substitute and remove its designee as the DSH Auditor or the DSK Auditor, and (b) fill vacancies created by reason of death, removal or resignation of such designee. The Investor shall provide the Target Companies with the name and such other details of the individual to be appointed by it as the DSH Auditor and the DSK Auditor, as may reasonably be required by the Target Companies, by such date as may reasonably be fixed by the Target Companies, and the Major Stockholder and DS Holdings shall exercise their voting and other rights in DS Holdings and DS Korea, respectively, to ensure that such appointments are made.

3.4. Information. Each of the DSH Auditor and the DSK Auditor shall (a) be entitled to such information that he/she may request concerning DS Holdings and DS Korea, respectively, and full information regarding matters discussed or to be discussed at any meeting of the Board of the relevant Target Company; (b) be provided with and have access to all notices, documents and other materials provided to members of the Board of DS Holdings and DS Korea, respectively; and (c) be entitled to disclose to the Investor or any of its Affiliates, any information he/she receives or acquires in relation to the business and affairs of the relevant Target Company in his/her capacity as the DSH Auditor and the DSK Auditor (as the case may be); provided, that, notwithstanding the foregoing, DS Holdings and DS Korea shall not be required to share any information if and to the extent it would result in a waiver of attorney-client privilege. All such

information shall be prepared in the language in which it is prepared for the Board of DS Holdings and DS Korea, respectively.

#### **Article 4. Investor's Rights**

4.1. Consent Rights. Notwithstanding any provisions to the contrary herein, until the earlier of (a) a Qualified IPO, and (b) following both the conversion of the Note into Shares of DS Holdings (the “**Conversion Securities**”) and the exercise of the Investor Call Option, the date as of which the Investor holds less than (A) one-third of the total number of Shares of DS Holdings issuable upon conversion of the Note and upon exercise of the Investor Call Option as of the Effective Date, and (B) such number of Shares of DS Korea issuable under the Subscription Agreement for one-third of the RPS Commitment Amount (the period from the Effective Date until such date, the “**Consent Period**”), no Target Company shall, and the Major Stockholder shall use best efforts to cause each Target Company not to, take any of the following actions, whether in a single transaction or a series of related transactions, whether directly or indirectly, in each case without the prior written consent of the Investor (such consent not to be unreasonably withheld, conditioned or delayed), and without limiting the generality of the foregoing, the Major Stockholder shall vote all of its Shares of DS Holdings against any such action submitted to a vote of the stockholders of DS Holdings unless the Investor has given the prior written consent to such action:

- (a) establish or amend any Organizational Documents;
- (b) enter into, amend, modify or terminate, or grants a waiver under, any agreement, arrangement or understanding with any Person setting forth any right, privilege, preference or obligation of any Person as a stockholder of such Target Company or pertaining to the governance or management of such Target Company (including, without limitation, any IPO-related right, board representation right, right of first offer/refusal, tag-along right, drag-along right and other rights that would typically be provided under a stockholders agreement or similar agreement);
- (c) issue any Equity Securities, other than pursuant to the EIP;
- (d) declare, set aside or pay any dividends or other distributions, or acquire, redeem or dispose of any treasury stock;
- (e) make changes with respect to the capital structure, including split, consolidation, subdivision, reclassification, redemption, repurchase, cancellation, retirement or sale of any shares of capital stock or other equity or ownership interest, capital reduction or other form of return of capital other than the repurchase of shares of capital stock upon the termination of employment in accordance with the EIP;
- (f) make any material change to its organization, including by adoption of a voluntary plan of complete or partial liquidation, dissolution, restructuring, conversion, spin-off, comprehensive share exchange or transfer, transfer or acquisition of a business, acquisition of another entity, entrusted management or other similar transaction;

(g) engage in any investment, acquisition or capital expenditure which would exceed more than thirty percent (30%) of the total assets of DS Holdings as set forth in its latest available audited consolidated financial statements;

(h) engage in any transaction or series of related transactions which results in the sale, licensing, transfer, establishment of an Encumbrance upon or other disposal of assets for an amount that exceeds KRW 5 billion; or

(i) sell, license, transfer or cause any Encumbrance to be placed on any Intellectual Property which are material to its business.

4.2. Information Rights. Until the earlier of (a) a Qualified IPO and (b) the date as of which (i) the Note is no longer outstanding, (ii) the Investor no longer holds any Shares of DS Holdings and (iii) the Investor no longer holds, or is entitled or obligated to subscribe for, any Share of DS Korea issuable under the Subscription Agreement (the “**Investor Rights Period**”), the Investor shall have the right to review and to receive copies of (and the Target Companies shall deliver, and the Major Stockholder shall cause the Target Companies to deliver), even in the absence of a specific request from the Investor, the following reports and information:

(a) Regular Reports

(i) audited consolidated annual financial statements within one hundred twenty (120) days after the end of each fiscal year; provided, that such financial statements shall be audited by one of the Big 4 Accounting Firms;

(ii) unaudited consolidated quarterly financial statements within forty-five (45) days after the end of each fiscal quarter;

(iii) unaudited consolidated monthly management accounts including the operational statistics and any financial information prepared for such period within forty-five (45) days after the end of each month; and

(iv) annual budget at least forty-five (45) days prior to the end of the fiscal year 2023 and each fiscal year thereafter.

(b) Other Information

(i) any documents and materials distributed to the stockholders of the Target Companies at or prior to the date of the General Meeting of Stockholders and copies of the minutes of the General Meeting of Stockholders promptly after they become available;

(ii) all other documents or information provided or sent to the other stockholders of the Target Companies promptly after they become available;

(iii) information concerning any material developments or business matters affecting the business of the Target Companies; and

(iv) any financial, accounting and management-related information or

any other documents as the Investor may reasonably request.

4.3. Records. During the Investor Rights Period, the Target Companies shall, and shall procure that each other Group Company shall, at all times maintain accurate and complete accounting and other financial records, including all tax computations and related documents and correspondence in accordance with the requirements of all applicable Laws and the Applicable Accounting Standards with respect to the Group Companies.

4.4. Access. During the Investor Rights Period, the Target Companies shall, and shall procure that each other Group Company shall provide the Investor and its Representatives with access to the facilities, books and records of the Group Companies on reasonable notice to examine and copy the books and records of the Group Companies as reasonably requested by the Investor, and the Investor shall be entitled to discuss the Group Companies' affairs with any of its respective directors and senior management.

4.5. New Stockholders. During the Investor Rights Period, each Target Company shall procure so far as it is legally able that, before any third party becomes a holder of any Shares of DS Holdings or DS Korea, such third party shall first execute a written consent, attached hereto as Exhibit A, and deliver a duly executed counterpart thereof to the Investor prior to the issuance or transfer of such Shares to such third party.

## **Article 5. Investor Call Option; Major Stockholder Put Option**

5.1. Investor Call Option. Following the satisfaction, or waiver by the Investor, of the Conversion Conditions, the Investor shall have the option to require the Major Stockholder to sell all (but not less than all) of 292,797 Class A Common Shares of DS Holdings (as appropriately adjusted for stock split or combination or other similar event) held by the Major Stockholder (the "**Option Shares**") to the Investor at the per-share price of USD 51.23 (as appropriately adjusted for stock split or combination or other similar event), unless such sale is expected to have a Material Adverse Effect (the "**Investor Call Option**"). The Investor shall exercise the Investor Call Option by delivering to the Major Stockholder a written notice stating its election to do so (the "**Investor Call Option Notice**") at any time after the date on which the Conversion Conditions have been satisfied or waived. The Investor and the Major Stockholder shall be deemed to have entered into as of the date of such delivery a definitive sale and purchase agreement, pursuant to which the Investor agrees to purchase from the Major Stockholder, and the Major Stockholder agrees to sell to the Investor, the Option Shares. The closing of the purchase of the Option Shares by the Investor shall take place on the thirtieth (30th) Business Day from the date of the delivery of the Investor Call Option Notice to the Major Stockholder or such later date as may be agreed between the Investor and the Major Stockholder (such date on which the closing takes place being referred to herein as the "**Investor Call Closing Date**") (it being understood that the Investor Call Closing Date shall be extended to the extent that any governmental approvals, reports or filings need to be completed prior to the closing of the purchase of the Option Shares by the Investor). For the sake of clarity, the exercise by the Investor of its right to convert the Note under the Note Purchase Agreement may be exercised in parallel and concurrently with the Investor's exercise of the Investor Call Option under this Section 5.1.

5.2. Major Stockholder Put Option. Following the satisfaction of the Conversion Conditions, the Major Stockholder shall have the right to require the Investor to purchase all (but not less than all) of the Option Shares at the per-share price of USD 51.23 (as appropriately adjusted for stock split or combination or other similar event), unless such purchase is expected to have a Material Adverse Effect (the “**Major Stockholder Put Option**”). The Major Stockholder shall exercise the Major Stockholder Put Option by delivering to the Investor a written notice stating its election to do so (the “**Major Stockholder Put Option Notice**”) at any time after the date on which the Conversion Conditions have been satisfied. The Investor and the Major Stockholder shall be deemed to have entered into as of the date of such delivery a definitive sale and purchase agreement, pursuant to which the Investor agrees to purchase from the Major Stockholder, and the Major Stockholder agrees to sell to the Investor, the Option Shares. The closing of the purchase of the Option Shares by the Investor shall take place on the thirtieth (30th) Business Day from the date of the delivery of the Major Stockholder Put Option Notice to the Investor or such later date as may be agreed between the Investor and the Major Stockholder (such date on which the closing takes place being referred to herein as the “**Major Stockholder Put Closing Date**”) (it being understood that the Major Stockholder Put Closing Date shall be extended to the extent that any governmental approvals, reports or filings need to be completed prior to the closing of the purchase of the Option Shares by the Investor).

5.3. Termination of Options. The provisions of Section 5.1 and Section 5.2 shall terminate on conclusion of the Investor Rights Period.

## **Article 6. Share Transfers**

### 6.1. Transfer Restriction.

(a) During the Consent Period, DS Holdings and the Major Stockholder shall not, and the Major Stockholder shall cause DS Holdings not to, transfer any Equity Securities (in any transaction or series of related transactions) of any Target Company, as applicable, in an amount equal to or greater than (i) in the case of DS Korea, such number of Equity Securities, the transfer of which would result in a change of Control in DS Korea, and (ii) in the case of DS Holdings, such number of Equity Securities, the transfer of which would result in a change of Control in DS Holdings less the number of Option Shares (as appropriately adjusted for stock split or combination or other similar event), in each case, without the prior written consent of the Investor. Without limiting the generality of the foregoing, the Major Stockholder shall vote all of its Shares of DS Holdings against any such transfer submitted to a vote of the stockholders of DS Holdings unless the Investor has given the prior written consent to such action.

(b) The Investor agrees not to unreasonably withhold or delay any consent required pursuant to this Section 6.1 in relation to the Major Stockholder’s transfer of Equity Securities that would result in a change of Control in DS Holdings and/or DS Korea, or any future fund raising by DS Holdings and/or DS Korea.

### 6.2. Tag-Along Right.

(a) Subject to Section 6.1, for so long as the Investor holds any Shares of DS Holdings, if the Major Stockholder intends to transfer any Shares of DS Holdings (the “**Offered**



**Shares**”) to any Person (other than the Major Stockholder’s Affiliates), the Investor shall have the right to participate in such sale (such sale, a **“Tag-Along Sale”**; such right, a **“Tag-Along Right”**) subject to the terms and conditions set forth in this Article 6.

(b) Prior to the execution of any agreement proposed to be executed in connection with any such transfer of the Offered Shares, the Major Stockholder shall deliver to the Investor a written notice of the proposed Tag-Along Sale making reference to the Investor’s rights hereunder and specifying: (i) the aggregate number and type of Shares of DS Holdings the proposed transferee has offered to purchase; (ii) the identity of the proposed transferee; (iii) the proposed date, time and location of the closing of the Tag-Along Sale; (iv) the purchase price per-share and the other material terms and conditions of the transfer; and (v) a copy of any form of agreement proposed to be executed in connection therewith (the **“Tag-Along Notice”**).

(c) To exercise the Tag-Along Right, the Investor shall deliver to the Major Stockholder within twenty (20) days of the receipt of the Tag-Along Notice (the **“Tag-Along Offer Period”**) a written notice (the **“Tag-Along Exercise Notice”**) stating its intent to exercise its Tag-Along Right and specifying the number of its Shares of DS Holdings that it desires to include in the Tag-Along Sale (the **“Tag-Along Shares”**).

(d) If the Investor fails to deliver a Tag-Along Exercise Notice (or notifies the Major Stockholder of its intent not to exercise its Tag-Along Right) within the Tag-Along Offer Period, it shall be deemed to have waived its Tag-Along Right, and the Major Stockholder may thereafter transfer the Offered Shares to the proposed transferee indicated in the Tag-Along Notice its Shares of DS Holdings on terms and conditions which are not more favorable to the Major Stockholder than those terms and conditions set forth in the Tag-Along Notice within ninety (90) days from expiry of the Tag-Along Offer Period; provided that to the extent necessary for the Major Stockholder to secure any governmental or regulatory approvals or other third-party consents required to consummate such transfer, the expiration of the ninety (90) day period shall be extended to a date falling twenty (20) days after the receipt of such approval or consent. Any Shares of DS Holdings held by the Major Stockholder that are not sold within such period shall be subject anew to the restrictions under this Section 6.2.

(e) If the Investor exercises the Tag-Along Right by delivering the Tag-Along Exercise Notice in accordance with Section 6.2(c) above, the Major Stockholder shall not transfer the Offered Shares unless all of the Tag-Along Shares are transferred prior to or simultaneously with the Offer Shares and, except as otherwise provided herein, on the same terms and conditions as those applicable to the Major Stockholder. If the aggregate number of Shares of DS Holdings the proposed transferee is willing to purchase is less than the sum of the numbers of the Tag-Along Shares and the Offered Shares, the number of Shares of DS Holdings that each of the Investor and the Major Stockholder is entitled to include in the Tag-Along Sale shall be determined pro rata based on the relative number of Shares of DS Holdings owned by the Investor, on one hand, and the Major Stockholder, on the other hand, and the numbers of the Tag-Along Shares and the Offered Shares shall be correspondingly reduced.

(f) The Tag-Along Shares shall be sold on an “as-is” basis without the Investor providing any representations or warranties of any kind, except for (i) its power and capacity to enter into the relevant share transfer agreement and (ii) its title to the Tag-Along Shares. For the

avoidance of doubt, the Investor shall not make any representations and warranties with respect to DS Holdings.

## **Article 7. Covenants**

### **7.1. Initial Public Offering; Exit Option.**

(a) DS Holdings shall, and the Major Stockholder shall vote its Shares of DS Holdings and otherwise use best efforts to cause DS Holdings to, (i) commence preparations for an IPO on or before December 31, 2025, and (ii) maximize the valuation of the Shares of DS Holdings at the time of such IPO.

(b) DS Holdings shall use best efforts to, and the Major Stockholder shall use best efforts to cause DS Holdings to, consummate a Qualified IPO no later than December 31, 2027 (the “**QIPO Target Date**”).

(c) Subject to any restrictions under applicable Laws and/or regulations of the applicable stock exchange, (i) if DS Holdings proposes to effect a registration of any of its Shares, whether held by any stockholder of DS Holdings or to be newly issued by DS Holdings, in connection with the IPO or any subsequent public offering (including for this purpose a registration effected by DS Holdings for stockholders other than the Investor), DS Holdings shall include in such registration all Shares of DS Holdings that the Investor requests to be included therein (it being agreed that in connection with the IPO, DS Holdings shall, and the Major Stockholder shall use its best efforts to cause DS Holdings to, register not less than ten percent (10%) of all existing Shares of DS Holdings issued and outstanding immediately prior to such IPO), and (ii) to the extent that existing Shares of DS Holdings are sold by selling stockholders in an IPO or any subsequent public offering, then (x) (in the case of the IPO) Shares of DS Holdings held by the Investor shall be sold on a *pro rata* and *pari passu* basis with Shares of DS Holdings held by any Qualified Investor that holds contractual rights to have its Shares of DS Holdings sold in the IPO but in preference and prior to any Shares of DS Holdings held by any other stockholder (which for the avoidance of doubt shall include the Major Stockholder), and (y) (in the case of any subsequent public offering) Shares of DS Holdings held by the Investor shall be sold on a *pro rata* and *pari passu* basis with Shares of DS Holdings held by the Major Stockholder and any Qualified Investor that holds contractual rights to have its Shares of DS Holdings sold in such subsequent public offering but in preference and prior to any Shares of DS Holdings held by any other stockholder. For the avoidance of doubt, no contractual registration rights may be granted (i) to any Person other than the Qualified Investors and (ii) to the Qualified Investors in a manner inconsistent or conflicting with the terms set forth in this Section 7.1(c).

(d) DS Holdings shall use commercially reasonable best efforts to ensure that (i) the proportion of the Investor’s Shares of DS Holdings that are subject to any lock-up in an IPO or any subsequent public offering shall be no more expansive than applicable to members of management or any holder of 1% or more of the Shares and in any event be less than those applicable to the Major Stockholder, and (ii) any lock-up period applicable to any Shares of DS Holdings held by the Investor in an IPO or any subsequent public offering shall (w) be no less favorable to the Investor than those applicable to members of management or any holder of 1% or more of the Shares in such public offering, (x) be no more than 180 days from the effective date

of a registration statement for such public offering, (y) expire sooner than the date falling 90 days before the expiration of any lock-up periods applicable to the Shares of DS Holdings held by the Major Stockholder in such public offering and (z) expire sooner than the date falling 90 days before any Shares held by the Major Stockholder can be sold as a result of (1) being offered during the process of any public offering subsequent to the IPO or otherwise registered without being subject to any lock-up period in such subsequent public offering or (2) the expiration of any lock-up periods applicable to the Shares of DS Holdings held by the Major Stockholder in such public offering. DS Holdings shall not, without the Investor's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed), proceed with any IPO in which (i) any Shares of DS Holdings held by the Investor are subject to any lock-up or (ii) any merger or other transaction with a SPAC is involved.

(e) If (i) DS Holdings has not completed a Qualified IPO by the QIPO Target Date or (ii) an Event of Default occurs, then upon delivery by the Investor of a written notice thereof (the **"Exit Notice"**), DS Holdings and DS Korea shall cause, and the Major Stockholder shall seek to cause (which for the avoidance of doubt shall mean that the Major Stockholder shall use its best efforts to cause), an Exit Option to be completed as soon as practicable but in any event by no later than the date that is one (1) year from the date of the Exit Notice. From the QIPO Target Date until the completion of an Exit Option, the Major Stockholder, DS Holdings and DS Korea shall refrain from taking any action that is reasonably expected to impair or materially delay the consummation of an Exit Option (including any sale or transfer of the Major Stockholder's or DS Holdings' Shares of the Target Companies, as applicable, to a third party) without the Investor's prior written consent. **"Exit Option"** shall mean a transaction or a series of related transactions whereby the Investor would receive the Target Return, by way of (i) capital reduction through share repurchases or cancellations and/or declaration of dividends by DS Holdings and/or its Affiliates, including DS Korea, and/or (ii) sale of the Shares of DS Holdings and DS Korea held by the Investor to a third party transferee. To the extent consistent with applicable Law, the Target Companies and the Major Stockholder shall, and the Major Stockholder shall vote its Shares of DS Holdings and otherwise use best efforts to cause each Target Company and the Major Stockholder's nominees on the Board of such Target Company (to the extent consistent with their fiduciary duties) to, take all actions necessary to give full effect to the Exit Option (including, if necessary, calling a General Meeting of Stockholders, providing consent to, or waiving, their respective rights under any Organizational Document and procuring the consents required from all other stockholders of the relevant Target Company). For the avoidance of doubt, the failure of an Exit Option to be completed by the applicable date set forth in this Section 7.1(e) for any reason (including any lack of legally available funds or any contravention or inconsistency with fiduciary duties or applicable law) shall constitute a breach by DS Holdings and DS Korea.

(f) Following the delivery of the Exit Notice by the Investor, DS Holdings shall, and the Major Stockholder shall use best efforts to cause DS Holdings to, declare and pay dividends in order for the Investor to receive the Target Return as promptly as possible following delivery of the Exit Notice. DS Holdings shall, and the Major Stockholder shall use best efforts to cause DS Holdings to, take all actions as may be necessary to ensure that there are sufficient funds for declaration and payment of dividends for the foregoing purpose, including, but not limited to, any share repurchase or other return of capital by its Subsidiaries in respect of any shares thereof held by it and/or declaration of dividends by its Subsidiaries, and shall procure all corporate approvals required in connection with declaration and payment of dividends.

7.2. Non-Compete. Until the earlier of (a) such date the Investor no longer holds any Shares of DS Holdings, (b) the fifth (5th) anniversary of the date of conversion of the Note under the Note Purchase Agreement and (c) the date of completion of the Qualified IPO (the “**Non-Competition Period**”), the Major Stockholder shall not, and shall cause its respective Affiliates not to, directly or indirectly, own, manage, engage in, operate, control, consult with, render services for, do business with, maintain any interest in (proprietary, financial or otherwise) or participate in the ownership, management, operation or control of, any other business, whether in corporate, proprietorship or partnership form or otherwise, that competes with the business of the Target Companies without the prior written consent of the Investor.

7.3. Further Assurance.

(a) Each Party, other than the Target Companies, shall at all times vote any Shares owned by it, and exercise any other powers of control in relation to the applicable Target Company (as stockholder or otherwise), in a timely manner so as to give full effect to this Agreement, and shall at all times cause the Group Companies to comply with the provisions of this Agreement.

(b) The Major Stockholder shall cooperate with, and use best efforts to give effect to the decisions of, the directors and officers of the Target Companies.

(c) The Target Companies will use reasonable efforts to notify and engage in discussions with the Investor prior to undertaking any material business matters. During the Non-Competition Period, (i) subject to each Key Person maintaining the qualifications required under applicable Law to hold the relevant position at DS Holdings and/or DS Korea and (ii) except as otherwise provided in the stock option agreements entered into between each Key Person, on the one hand, and DS Holdings, on the other hand (which, for the avoidance of doubt, shall contain customary terms and conditions), DS Holdings and DS Korea, as applicable, shall not, and the Major Stockholder shall use best efforts to cause DS Holdings and DS Korea not to, unreasonably change each Key Person’s roles and responsibilities with respect to DS Holdings or DS Korea, as applicable, without the prior written consent of the Investor. Without limiting the generality of the foregoing, the Major Stockholder shall vote all of its Shares of DS Holdings against any such change submitted to a vote of the stockholders of DS Holdings unless the Investor has given the prior written consent to such change.

7.4. Control. In the event of any conflict or inconsistency between any of the terms of this Agreement and the terms of any of the Group Companies’ Organizational Documents, or in the event of any dispute related to the Group Companies’ Organizational Documents, the terms of this Agreement shall prevail in all respects as between the Target Companies, the Major Stockholder and the Investor, and the Target Companies, the Major Stockholder and the Investor shall give full effect to and act in accordance with the provisions of this Agreement over the provisions of the Group Companies’ Organizational Documents. DS Holdings, the Major Stockholder and the Investor shall exercise all voting and other rights and powers (including to procure any required amendments to the Group Companies’ Organizational Documents to resolve such conflict or inconsistency) to make the provisions of this Agreement effective, and not to take any actions that impair any provisions in this Agreement, in each case to the fullest extent permitted by applicable Law.

7.5. Exit by Investor. In the event that the Investor determines to sell any of its Shares in any Target Company, the Major Stockholder and the Target Companies shall, and the Major Stockholder and the Target Companies shall use commercially reasonable best efforts to cause other Group Companies to, take all such commercially reasonable actions and execute and deliver such documents as the Investor may reasonably request, and otherwise use commercially reasonable efforts to effect such sale, including (a) providing access to relevant information, documents and personnel of the Group Companies as is reasonably requested by the Investor for the purposes of the conduct of due diligence by any potential purchasers and their respective financial advisors, legal advisors, accountants and other advisors or representatives, provided, that such purchasers and their respective advisors and representatives receiving the access to information, documents and personnel of the Group Companies have each executed a confidentiality agreement with the Target Companies containing customary terms and conditions negotiated in good faith; and provided, further, that this Section 7.5 shall not require the provision of any confidential or competitively sensitive information to a competitor of any Group Company, and (b) procuring the approval of the Board of DS Holdings and DS Korea, as applicable.

7.6. Joint and Several Obligations.

(a) The Major Stockholder shall be jointly and severally liable for all representations and warranties of the Target Companies under this Agreement. For purposes of clarity and notwithstanding anything to the contrary herein or in any Transaction Document, the Major Stockholder shall not be jointly, or jointly and severally, liable for any monetary obligations of any Target Company hereunder, including, but not limited to, those intended to ensure the Investor receives the Target Return, except in connection with its joint and several liabilities for indemnification pursuant to the foregoing sentence or any breach of its covenants, obligations or agreements set forth herein or in any Transaction Document, and subject to the Major Stockholder having used its best efforts to cause the Target Companies to comply with such monetary obligations. The Major Stockholder shall not be entitled to seek any reimbursement or other recourse against the Target Companies, their Subsidiaries and their respective officers, directors and employees for taking any action (including any indemnification in favor of the Investor Indemnified Parties) pursuant to this Section 7.6(a).

(b) DS Korea shall be jointly and severally liable for (i) all of DS Holdings' repayment obligations under the Note and (ii) all of DS Holdings' obligations under Section 7.1(c) herein. DS Korea shall not be entitled to seek any reimbursement or other recourse against DS Holdings, its Subsidiaries and their respective officers, directors and employees for taking any action pursuant to this Section 7.6(b).

7.7. Event of Default. During the Consent Period, upon the occurrence of an Event of Default, no Target Company shall, and the Major Stockholder shall cause each Target Company not to, adopt any resolution without the prior written consent of the Investor (such consent not to be unreasonably withheld, conditioned or delayed). Without limiting the generality of the foregoing, the Major Stockholder shall vote all of its Shares of DS Holdings against any such resolution submitted to a vote of the stockholders of DS Holdings unless the Investor has given the prior written consent to such resolution, and shall cause its nominees on the Board of such Target Company to act in a manner consistent with the foregoing, to the extent consistent with the fiduciary duties of the directors of such Target Company.

7.8. Exhibition Business. As soon as reasonably practicable following the Effective Date, the Target Companies shall, and the Major Stockholder shall use commercially reasonable best efforts to cause the Target Companies to, commence the operation of the New Business. The Target Companies shall, and the Major Stockholder shall use commercially reasonable best efforts to cause the Target Companies to, at all times operate the Exhibition Business in the Ordinary Course of Business and in compliance with any Contract entered into by them in connection with the operation of the Exhibition Business.

## **Article 8. Term and Termination**

8.1. Term. This Agreement shall become effective from (a) the date of the closing under the Note Purchase Agreement or (b) the date of the first closing under the Subscription Agreement, whichever is earlier (the “**Effective Date**”) and remain in effect unless terminated in accordance with Section 8.2; provided, that Section 7.6(b) will become effective upon acknowledgement and acceptance by the Bank of Korea of requisite filings made or to be made by DS Korea pursuant to the Foreign Exchange Transactions Act of Korea with respect to its obligations under Section 7.6(b).

8.2. Termination. This Agreement and the rights and obligations of the Parties hereunder may be terminated:

(a) by the Investor by written notice to the other Parties, upon the occurrence of an Event of Default; provided, that the Investor may not terminate this Agreement pursuant to this Section 8.2(a) if the Investor is in breach of this Agreement;

(b) by any Target Company or the Major Stockholder by written notice to the other Parties, if the Investor has committed a breach of any representations or warranties under this Agreement; provided, that neither the Target Companies nor the Major Stockholder may terminate this Agreement pursuant to this Section 8.2(b) if such Party is in breach of this Agreement;

(c) by any Target Company or the Major Stockholder by written notice to the other Parties, if the Investor has committed a breach of any covenants or other obligations under any Transaction Document, and such breach is not cured within ten (10) Business Days of the Investor’s receipt of a written notice from such Target Company or the Major Stockholder requesting cure of the breach; provided, that neither the Target Companies nor the Major Stockholder may terminate this Agreement pursuant to this Section 8.2(c) if such Party is in breach of this Agreement; or

(d) by the mutual written agreement of the Parties.

8.3. Effect of Termination. Subject to Section 8.4, in the event of termination of this Agreement under Section 8.2, this Agreement shall terminate and cease to have effect, provided that this Section 8.3 and Article 1, Article 9 and Article 10 hereof shall remain in full force and effect, and nothing herein shall relieve any Party for any prior breach of this Agreement.

8.4. Partial Termination. In the event of termination of this Agreement pursuant to Sections 8.2(a), (b) or (c), the terminating Party may, at its option, elect to terminate all or any part

of this Agreement and/or the rights of the other Parties hereunder. In the event of any such partial termination of this Agreement, all other provisions or rights and obligations of the Parties that are not so terminated shall continue to remain in effect.

## **Article 9. Indemnification**

9.1. Indemnification by the Major Stockholder and the Target Companies. Each of the Major Stockholder and the Target Companies shall indemnify and hold the Investor and its Representatives (collectively, the “**Investor Indemnified Parties**”), from and against any and all Losses suffered or incurred by the Investor Indemnified Parties, arising out of, resulting from, or relating to any breach or non-performance by such Party of any of its representations, warranties, obligations, covenants and agreements hereunder.

9.2. Indemnification by the Investor. The Investor shall indemnify and hold the Major Stockholder, the Target Companies and their respective Representatives (collectively, the “**Company Indemnified Parties**”), from and against any and all Losses suffered or incurred by the Company Indemnified Parties, arising out of, resulting from, or relating to any breach or non-performance by such Party of any of its representations, warranties, obligations, covenants and agreements hereunder.

## **Article 10. Miscellaneous**

10.1. Governing Law. This Agreement and the rights and obligations of the Parties hereunder shall be governed by and construed in accordance with the Laws of the state of Delaware, without giving effect to any conflict of laws provisions.

10.2. Jurisdiction. The Parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the Court of Chancery of the State of Delaware, the Superior Court of the State of Delaware (Complex Commercial Litigation Division) and to the jurisdiction of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the Court of Chancery of the State of Delaware, the Superior Court of the State of Delaware (Complex Commercial Litigation Division) or the United States District Court for the District of Delaware, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

**WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS**

TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

The prevailing Party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such Party may be entitled.

10.3. Entire Agreement. This Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes any prior understandings, agreements or representations by and between the Parties, written or oral, to the extent they are related in any way to the subject matter hereof.

10.4. Modifications, Amendments and Waiver. This Agreement may be amended only in writing signed by all the Parties. No waiver of this Agreement may be claimed against a Party unless it is in writing signed by such Party. No delay by any Party in exercising any right under this Agreement shall operate as a waiver thereof, and no waiver by any Party of any such right shall preclude any further exercise of such right or of any other right under this Agreement.

10.5. Assignment. No Party shall assign all or any part of its rights or obligations under this Agreement without the prior written consent of the other Parties; provided, however, that the Investor shall be permitted to assign to (a) any third party (including the Investor's Affiliates) or (b) any lender or any Affiliate thereof as security for obligations to such lender in respect of the financing arrangements entered into in connection with the transactions contemplated under the Transaction Documents and any refinancings, extensions, refundings or renewals thereof.

10.6. Counterpart. This Agreement may be executed and delivered electronically and in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

10.7. Severability. If any provision of this Agreement is or is held to be invalid or unenforceable, then so far as it is invalid or unenforceable it has no effect and is deemed not to be included in this Agreement. The Parties shall then use all reasonable endeavors to replace the invalid or unenforceable provision by a valid provision of similar intended effect.

10.8. Confidentiality. Each Party shall maintain in confidence and not disclose to a third party any Confidential Information obtained from the other Parties in connection with this Agreement or the transactions contemplated hereby, unless (a) the use of such information is necessary or appropriate in making any filing or obtaining any governmental approvals required for the consummation of the transactions contemplated hereby, or (b) the furnishing or use of such information is required by applicable Law; provided, that the Investor may disclose Confidential Information to its Representatives in connection with the transactions contemplated by this



Agreement, so long as such Representatives are informed of the confidential nature of such information and are directed to treat such information confidentially; and provided, further, that the Target Companies may disclose Confidential Information to potential investors, lenders, bankers, underwriters and other third parties in connection with financing or other strategic transactions provided that the recipient is subject to confidentiality obligations with respect to such information.

10.9. Notices. Each notice, demand or other communication to be given or made under this Agreement shall be in writing and delivered by hand or internationally recognized overnight air courier or transmitted by email to the recipient Party at its address, or email address, set out below (or such other address, or email address, as the recipient Party has specified to the other Party):

If to the Investor:

WAVEONE LIMITED  
5<sup>th</sup> Floor, Gangnam Finance Center  
152 Teheran-ro, Gangnam-gu  
Seoul, Korea  
Attn: Joon Suh; Jin Paek  
Email: jhsuh@imm.co.kr; jinh.paek@imm.co.kr

With a copy to (which copy shall not constitute notice):

Bae, Kim & Lee LLC  
Tower B, Centropolis  
26 Ujeongguk-ro, Jongno-gu  
Seoul 03161, Korea  
Attn: Ho Kyung Chang  
Email: hokyung.chang@bkl.co.kr

If to DS Holdings:

D'STRICT HOLDINGS, INC.  
2018 156th Ave NE, Building F, Suite 365  
Bellevue WA 98007, USA  
Attn: Sungho Lee, Xiaofei Yu  
Email: [sean@dstrict.com](mailto:sean@dstrict.com); [xiaofei@dstrict.com](mailto:xiaofei@dstrict.com)

With a copy to (which copy shall not constitute notice):

K&L Gates, LLP  
925 Fourth Avenue, Suite 1900  
Seattle, WA 98104, USA  
Attn: Gary J. Kocher; Chloe Duan  
Email: [gary.kocher@klgates.com](mailto:gary.kocher@klgates.com) and [Chloe.Duan@klgates.com](mailto:Chloe.Duan@klgates.com)

If to DS Korea:

D'STRICT KOREA, INC.  
9th floor, 29 Teheran-ro 87-gil,  
Gangnam-gu, Seoul, Republic of Korea  
Attn: Sungho Lee, Sunghee Ann  
Email: [sean@dstrict.com](mailto:sean@dstrict.com); [shann@dstrict.com](mailto:shann@dstrict.com)

With a copy to (which copy shall not constitute notice):  
K&L Gates, LLP  
925 Fourth Avenue, Suite 1900  
Seattle, WA 98104, USA  
Attn: Gary J. Kocher; Chloe Duan  
Email: [gary.kocher@klgates.com](mailto:gary.kocher@klgates.com) and [Chloe.Duan@klgates.com](mailto:Chloe.Duan@klgates.com)

If to the Major Stockholder:

MFIO GLOBAL DISCOVERY LIMITED  
29/F, The Sun's Group Centre,  
No. 189 -200 Gloucester Road,  
Wan Chai, Hong Kong  
Attn: Xiaofei Yu  
Email: [xiaofei@mfio.com](mailto:xiaofei@mfio.com)

Any notice, demand or other communication so addressed to the relevant Party shall be deemed to have been duly given (a) if delivered by hand or internationally recognized overnight air courier, on the date actually delivered to the relevant address, and (b) if transmitted by email, on the date of transmission, provided, that if such day is not a working day in the place to which it is sent, such notice, demand or other communication shall be deemed delivered on the next following working day at such place.

10.10. Third Parties. This Agreement is solely for the benefit of the Parties and their respective successors and permitted assigns, and this Agreement shall not otherwise be deemed to confer upon or give to any other third party, including any creditor, any remedy, claim, liability, reimbursement, cause of action or other right.

10.11. Expenses. Except as otherwise expressly provided herein, each Party shall bear its own costs, fees and expenses (including fees and disbursements of attorneys and other professional advisors) and other liabilities incurred in connection with the negotiation, execution and performance of this Agreement and the transactions contemplated herein.

10.12. Specific Performance; Cumulative Remedies. The Parties acknowledge that money damages may not be an adequate remedy for violations of this Agreement and that any Party, in addition to any other rights and remedies which such Party may have hereunder or at law or in equity, may, in its sole discretion, apply to a court of competent jurisdiction for specific performance or injunction or such other relief as such court may deem just and proper in order to enforce this Agreement or prevent any violation hereof and, to the extent permitted by applicable Law, each Party waives any objection to the imposition of such relief. All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity

shall be cumulative and not alternative, and the exercise or beginning of the exercise of any thereof by any Party shall not preclude the simultaneous or later exercise of any other such rights, powers or remedies by such Party.

10.13. Further Assurances. Each of the Parties shall execute such documents and other papers and take all such necessary actions to carry out the provisions of this Agreement, and the transactions contemplated hereby.

*[signature pages follow]*

IN WITNESS WHEREOF, this Investment Agreement has been executed by the duly authorized representatives of the Parties on the date first written above.

**INVESTOR**

**WAVEONE LIMITED**

By: \_\_\_\_\_

Name:

Title:

IN WITNESS WHEREOF, this Investment Agreement has been executed by the duly authorized representatives of the Parties on the date first written above.

**DS KOREA**

**D'STRICT KOREA, INC.**

By: \_\_\_\_\_

Name:

Title:

IN WITNESS WHEREOF, this Investment Agreement has been executed by the duly authorized representatives of the Parties on the date first written above.

**DS HOLDINGS**

**D'STRICT HOLDINGS, INC.**

By: \_\_\_\_\_

Name:

Title:

IN WITNESS WHEREOF, this Investment Agreement has been executed by the duly authorized representatives of the Parties on the date first written above.

**MAJOR STOCKHOLDER**

**MFIO GLOBAL DISCOVERY LIMITED**

By: \_\_\_\_\_

Name:

Title:

**Schedule I****Illustration of IRR Calculation**

(in KRW 100 million)

	<b>Date</b>	<b>RPS Commitment</b>	<b>DSH Commitment</b>	<b>Blended</b>
1	2023-01-31	-400.0	-60.0 <sup>1</sup>	
2	2023-07-30		-190.0 <sup>2</sup>	
3	2024-01-31	-300.0		
4	2025-01-31	-100.0		
5	2025-06-30	525.8		
6	2026-06-30	394.4		
7	2027-06-30	131.4		
8	2027-12-31	0.0	680.2 <sup>3</sup>	
	<b>IRR</b>	12.0 <sup>4</sup> %	24.6 <sup>5</sup> %	<b>15.00<sup>6</sup>%</b>
	<b>Commitment Amount</b>	-800	-250	

**Notes**

<sup>1</sup> Assuming KRW 6 billion as the KRW-equivalent of the USD 5 million Note.

<sup>2</sup> Assuming KRW 19 billion as the KRW-equivalent of the purchase price for the Option Shares.

<sup>3</sup> Obtained by using the Goal Seek function in Microsoft Excel to find an amount achieving the Blended IRR of 15%.

<sup>4</sup> Obtained by using the XIRR formula in Microsoft Excel based on the respective values and dates set out in rows 1 through 7.

<sup>5</sup> Obtained by using the XIRR formula in Microsoft Excel based on the respective values and dates set out in rows 1 through 8.

<sup>6</sup> 
$$\frac{(12\% \times 800) + (24.6\% \times 250)}{800 + 250} = 15\%$$



**Exhibit A**

**Form of Consent**

To: **WAVEONE LIMITED**

5<sup>th</sup> Floor (Yeoksam-dong, Gangnam Finance Center)  
152 Teheran-ro, Gangnam-gu  
Seoul, Republic of Korea

**D'STRICT KOREA, INC.**

9th floor, 29 Teheran-ro 87-gil,  
Gangnam-gu, Seoul, Republic of Korea

**D'STRICT HOLDINGS, INC.**

2018 156th Ave NE, Building F, Suite 365  
Bellevue WA 98007, USA

\_\_\_\_\_, \_\_\_\_\_

**CONSENT**

Dear Sir/Madam,

Reference is made to (a) that certain Convertible Promissory Note Purchase Agreement (the “**Note Purchase Agreement**”), dated as of January 30, 2023, by and among D'STRICT HOLDINGS, INC. (“**DS Holdings**”), WAVEONE LIMITED (the “**Investor**”) and MFIO Global Discovery Limited (the “**Major Stockholder**”), (b) that certain Share Subscription Agreement (the “**Subscription Agreement**”), dated as of January 30, 2023, by and among D'STRICT KOREA, INC. (“**DS Korea**”), the Investor and the Major Stockholder and (c) that certain Investment Agreement, dated as of January 30, 2023, by and among, DS Holdings, DS Korea, the Investor and the Major Stockholder (the “**Investment Agreement**”).

Capitalized terms used but not defined herein shall have the meanings given to such terms in the Investment Agreement.

The undersigned hereby irrevocably and unconditionally:

- (i) acknowledges and consents to the execution, delivery and performance of the Note Purchase Agreement, the Subscription Agreement and the Investment Agreement and

the terms and conditions contained therein, including to the extent its consent is required for any transactions contemplated thereunder under any stockholders agreement, investment agreement or similar agreement entered into connection with DS Holdings or DS Korea;

- (ii) undertakes to execute and deliver all such instruments and documents and take all such actions as may be required to give full effect to the terms of the Note Purchase Agreement, the Subscription Agreement and the Investment Agreement (including voting in favor of any resolution approving an Exit Option at a General Meeting of Stockholders); and
- (iii) undertakes to, before transferring any of its Equity Securities of DS Holdings to a third party, procure that such third party executes a written consent, in form and substance substantially the same as this consent, and deliver a duly executed counterpart thereof to the Investor prior to the transfer of such shares to such third party, it being acknowledged and agreed that any transfer in violation of the foregoing shall be null and void *ab initio*.

Very truly yours,

[Equity Securities Holder]

By: \_\_\_\_\_  
Name:  
Title: