

LICENSE AGREEMENT

SO THAT THE PUBLIC MAY KNOW:

This Agreement is entered into this 10 day of NOV. 2024 in the City of Pasig by and between:

PRL SPEEDUP INC., a domestic corporation organized and existing under and by virtue of Philippine Laws and engaged in the buying and selling of mobile phones and accessories and other communication devices, with principal office address at 52 G/F MNR Building, 5th Avenue Murphy, Barangay Socorro, Cubao, Quezon City, hereinafter referred to as the "LICENSOR";

-AND-

Junrex Cellphone & Accessories a domestic corporation organized and existing under and by virtue of Philippine Laws and engaged in the _____ with principal office address at J. Panis St., Sanchez Compound / 0000 Cebu City, hereinafter referred to as the "LICENSEE";

-RECITALS-

The LICENSOR is the exclusive distributor of HONOR Products in the Philippines;

The LICENSEE wishes to establish an HONOR CONCEPT STORE exclusively engaged in the retail of Honor Products in conformity with LICENSOR'S business methods and procedures, and desires the benefit of the goodwill inherent and invested in HONOR'S brand and trademark;

The License Investment undertaken by the LICENSEE consisting of the construction cost of the HONOR CONCEPT STORE and its facilities constitutes the sole consideration to LICENSOR for the use of its products, systems and trademark. The restriction and control on LICENSEE'S operation established under this Agreement are intended solely to protect the LICENSOR'S rights to the HONOR brand and trademark within the country as well as its obligations to other LICENSEE's to maintain a high level of confidence in the quality of its products and services for the benefit of end users.

For and in consideration of the foregoing premises and the mutual covenants and stipulations stated hereunder, the parties hereto hereby agree as follows:

I. COVERAGE AND PURPOSE OF THE AGREEMENT

This Agreement shall include the exclusive right to operate and maintain an HONOR CONCEPT STORE within the assigned mall, area or sector as designated by the Licensor, where the latest and top-of-the-line HONOR products will be constantly and exclusively made available to the general public, and the right to use the Honor brand, trademark, names and symbols within the limits of its territorial coverage as will promote public familiarity with, confidence in and patronization of Honor products.

By this Agreement, LICENSOR licenses and grants LICENSEE the business advantage and goodwill inherent in an exclusive association with the HONOR brand through the establishment and management of an HONOR CONCEPT STORE hand in hand with the use of HONOR brand and trademark within its designated area and to operate its retail business in conformity and compliance with business standards and procedures of the LICENSOR made known to the LICENSEE prior to the signing of the Agreement.

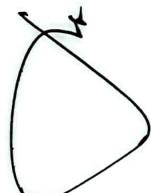
II. TERM, RENEWAL OF TERM AND PRE-TERMINATION

- A. TERM.** This Agreement shall be effective for a period of six (6) years from the date of the establishment of LICENSEE'S place of business, unless sooner terminated as provided for in this Agreement. The six(6)-year period shall commence upon the first day of operations of the LICENSEE, which shall not be less than **forty-five (45)** days after signing of this Agreement.
- B. RENEWAL OF TERM.** This Agreement shall automatically expire at the end of the six(6)-year period as provided above, unless the LICENSEE communicates in writing an intention to renew the same not later than **ninety (90)** days before the expiration of the original period. It shall be understood that the approval of such extension shall be at the sole and exclusive discretion of the LICENSOR based upon the LICENSEE'S sales performance and fidelity and compliance with LICENSOR's business systems and standards.
- C. PRE-TERMINATION.** In case one or both of the parties decide to pre-terminate the Agreement, they shall do so by notifying the other party in writing at least **forty-Five (45)** days before the intended date of pre-termination, without prejudice to the right of the other party to claim for damages, if any, arising from the pre-termination.

Any violation or failure to comply with terms of this agreement by the LICENSEE or action on its part that besmirches the reputation or goodwill of the LICENSOR and/or the HONOR brand and trademark shall constitute as sufficient ground for the pre-termination of this Agreement.

III. LOCATION, CONSTRUCTION AND LIMITATION OF THE CONCEPT STORE

A. LOCATION



The LICENSEE shall establish and operate its HONOR CONCEPT STORE at Parkmall Cebu, Ouano Avenue, Mandaue Reclamation Area, Mandaue City, 6014 Cebu

In the event, that the location of the HONOR CONCEPT STORE is the subject of a lease contract, the LICENSOR's approval of the site through lease shall be conditioned on the inclusion in the lease contract of terms acceptable to LICENSOR such as, but not limited to, a provision to receive an assignment of the leasehold interest upon termination of the Agreement.

In case of premature termination of the Agreement, the LICENSEE hereby constitutes the LICENSOR as its attorney-in-fact and assigns to the LICENSOR all the rights that it may have under the lease agreement, thereby authorizing the former to take over the lease. A provision to the foregoing effect shall be included in the Lease Agreement between the

LICENSEE (LESSEE) and LESSOR, which inclusion shall form part of the requirement for the approval of the License Agreement.

LICENSEE, in this regard, agrees that any default on its part under the lease contract shall be considered a default under this Agreement.

B. BUSINESS PERMITS, LICENSES AND OTHER DOCUMENTARY REQUIREMENTS

Unless agreed upon between the Parties, The LICENSEE shall obtain all necessary permits, approvals, certificates, licenses and other documents at its own expense (including but not limited to local and national government permits needed for approval or other regulatory purposes in order to enable the LICENSEE to market, distribute, and sell HONOR products within its designated mall, area, or sector.

Before the grant of the LICENSE AGREEMENT, the LICENSEE must submit their policies, rules and regulations for conducting business including those that pertain to the screening and hiring of their employees. In addition, the LICENSEE shall submit other documentary requirements as may be required by the LICENSOR.

C. CONSTRUCTION.

The LICENSEE shall undertake the construction of the CONCEPT STORE initially at his/her/its own expense, PROVIDED that, on the start of the first year (2025), the LICENSOR shall reimburse the LICENSEE according to the following schedule: 50% one-time payment for the 1st year. Said construction shall be understood to include all civil works and modules such as racks, cabinets and tables. Construction cost shall not include air conditioning (any brand except Korean made), CCTV, chilled water facilities, electricity, internet, television, trash bin, water dispenser, fire extinguisher, exhaust, point of sale (POS), additional shelves, and vault or frames.

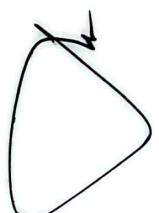
The design for the concept store shall be provided by the LICENSOR with the LICENSEE undertaking that said design shall be fully and faithfully constructed and implemented. LICENSEE shall not be allowed to alter and modify during the existence of the agreement. The design of the HONOR CONCEPT STORE is attached hereto as **ANNEX B**.

In case the LICENSEE engages the services of an independent contractor the latter shall be endorsed by the LICENSOR.

D. PATRONAGE OF HONOR PRODUCTS IN LICENSEE'S OTHER ALLIED AND AFFILIATED RETAIL BUSINESSES.

The LICENSEE hereby acknowledges and understands that the purpose of this Agreement is to broaden the commercial popularity and availability of HONOR Products in the country. For this purpose, the LICENSEE commits to promote, market and sell HONOR Products, not only in its designated CONCEPT STORE, but in all of its other present and future allied and affiliated retail stores and sales outlets as well.

Pursuant to this commitment, the LICENSEE shall disclose and submit to the LICENSOR a list of its current retail stores and sales outlets where HONOR Products can be made available and retailed. In case of future openings of other allied and affiliated retail stores and sales outlets, the LICENSEE hereby obligates itself to inform LICENSOR of such event in the soonest time period so HONOR Products can establish its retail

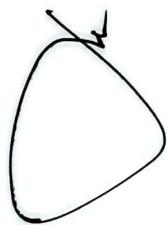


In this regard, the LICENSEE agrees that it shall obtain its supply of HONOR Products for its allied and affiliated retail stores and sales outlets only from the LICENSOR.

IV. RIGHTS AND OBLIGATIONS OF THE PARTIES

A. THE LICENSOR

1. **DURING CONSTRUCTION:** LICENSOR shall maintain a supervisory presence during the construction of the concept store to ensure compliance with the approved design and layout.
2. **ON CONTINUING BUSINESS ASSISTANCE:** The LICENSOR shall keep a healthy interest in the success of the LICENSEE's business during the term of the Agreement and pursuant thereto shall provide the following:
 - a. Supply LICENSEE with a complete array of all available HONOR products and accessories together with technical assistance, product information and user information as well as all relevant information regarding existing and upcoming HONOR products;
 - b. Regular reports of new products developed by HONOR as well as suggested improvements in business methods;
 - c. Promotional materials such as brochures, displays and live demos, provided that ownership over such materials shall remain with the LICENSOR and shall be returned to the latter after the termination or expiration of this Agreement;
 - d. Updates on the LICENSOR's marketing plans as initiated by its own marketing team; and
 - e. Approve and support advertising initiatives and promotional activities undertaken by the LICENSEE, PROVIDED that said activities are in line with the policies, rules and regulations of the LICENSOR and beneficial to the HONOR brand and trademark.
3. **ON TRAINING OF EMPLOYEES:** The LICENSOR shall be responsible for the training of the personnel of the LICENSEE. The LICENSOR shall exercise supervisory powers and training of the personnel of the LICENSEE prior to the commencement of the business. Upon the start of business, the LICENSOR shall provide for a compulsory and continuing training program for the LICENSEE's employees. The corresponding fees, costs, and other expenses for said compulsory and continuing training shall be for the sole account of the LICENSEE.
4. **ON PERIODIC VISIT:** The LICENSOR shall have the right to make periodic visits, including unannounced ones, to observe in-store business methods and procedures as well as compliance with the terms and conditions of the Agreement. It is understood that for this purpose LICENSOR's official representatives shall have access to the entire premises of the concept store, not only to its display area but its storage facilities as well, including access to its equipment, e.g. CCTV and other security fixtures.
5. **ON SUBMISSION OF REPORTS:** The LICENSOR shall have the right to require LICENSEE to submit, on a daily, weekly or monthly basis, the



- a. Daily Sales Report;
- b. Weekly Inventory Report;
- c. And such other documents that may be reasonably required by the LICENSOR in furtherance of this Agreement. [Add title of documents/reports as may be required and necessary]

For this purpose, the LICENSOR shall provide the template for the required documents, which shall be duly accomplished by the LICENSEE in full.

6. **ON EQUIPMENT UNDER USUFRUCT:** The LICENSOR may lend equipment together with technical assistance to the LICENSEE as may be necessary for the conduct of the latter's business. Title to said equipment shall remain with the LICENSOR and only the right to use said equipment shall pertain to the LICENSEE. Necessary repairs on said equipment resulting from LICENSEE's use shall be for the latter's account, with prior notice and approval from the LICENSOR. [May provide rent premium for the equipment]
7. **ON DESIGN AND APPEARANCE:** The LICENSOR shall have the option to implement changes in the general design and appearance, as well as proprietary marks, of the concept store. Such change in design and appearance shall be borne by the LICENSEE, as part of its obligation to comply with the marketing initiatives of the LICENSOR.

B. THE LICENSEE

1. **DURING CONSTRUCTION:** The LICENSEE shall ensure that the design of the concept store as provided by the LICENSOR shall be executed faithfully down to the last detail. For this purpose, the LICENSEE shall allow the LICENSOR to maintain a supervisory presence and/or undertake visitsat the premises during construction as a guarantee of compliance.
2. **ON THE CONDUCT OF BUSINESS:** The LICENSEE guarantees the proper management of the concept store and shall exercise the diligence of a good father of the family to ensure the success of the LICENSE. It is understood that proper management shall include, but shall not be limited to proper store supervision, constant inspection of the branch to ensure the highest standards of sanitation, cleanliness, and pleasant appearance, frequent supervision of business operations to see compliance with approved methods of operation and the preservation of order in the premises, including the proper decorum of its employees.

Additionally, the LICENSEE shall:

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- a) Perform according to the purchasing and sales targets set by the LICENSOR;
 - b) Maintain reasonable standards of customer service in its operation;
 - c) Ensure its employees are properly and neatly attired by wearing the prescribed uniforms; and
 - d) Its business operation is compliant with all national and local laws, ordinances, and regulations.

3. **ON THE CONTINUING TRAINING OF EMPLOYEES:** The LICENSEE shall support the mandatory participation of its employees in the

that this continuing training program is done for the benefit and success of the concept store and its employees as much as for the success of the HONOR brand and trademark in the local market. For this purpose, the LICENSEE shall shoulder the corresponding fees, costs, and other expenses necessary for the training program.

4. ON PERIODIC VISIT: The LICENSEE shall allow LICENSOR'S official representatives to visit and have access to the entire premises of the concept store as provided in Section IV.A.4. above, subject only to the requirement that the same shall be done during business hours and not duly disruptive of the business operations.

5. ON SUBMISSION OF REPORTS: The LICENSEE shall dutifully submit the reports required by the LICENSOR as provided under Section IV.A.5.

6. ON PROPRIETARY PRODUCTS: The LICENSEE, in order to faithfully comply with this Agreement and promote the HONOR brand and trademark, shall obtain its stock of HONOR products exclusively from the LICENSOR, which shall be paid in _____ [manner of payment].

LICENSEE shall ensure that all SKU models are available at the concept store at all times. All HONOR products shall be sold at the Standard Retail Price (SRP) provided by the LICENSOR. The complete list of HONOR products with their corresponding SRPs is attached hereto as **ANNEX C**.

LICENSEE shall likewise use only the approved packaging materials in the sale of HONOR products.

Any violation of this provision is a ground for automatic termination of the agreement without need of further notice and without prejudice to the institution of the proper legal action by the LICENSOR against the LICENSEE.

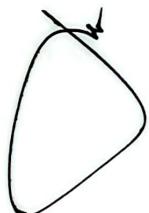
7. ON EQUIPMENT UNDER USUFRUCT. The LICENSEE shall take care of equipment provided by the LICENSOR with the diligence of a good father of the family. Notice of any necessary repairs occasioned by the LICENSOR's use of said equipment shall first be given to the LICENSOR for approval. The expenses for all necessary repairs shall be for the account of the LICENSEE.

8. ON DESIGN AND APPEARANCE: The LICENSEE, at its own expense, shall maintain the general design and appearance of the concept store, as well as proprietary marks, and comply with subsequent design changes introduced by the LICENSOR, as provided under Section IV.A.7. above.

Under no circumstances, shall the LICENSEE make any alteration, conversion, or addition to the concept store design and lay-out, and equipment without the prior written consent of the LICENSOR.

V. CONFIDENTIALITY AGREEMENT

It is understood that by virtue of the relationship established by this Agreement between the parties, trade secrets and other confidential information of substantial value belonging to the Honor brand and trademark shall be disclosed to the LICENSEE in the course of its execution and implementation. All such information, written or otherwise and in whatever



Agreement shall be kept by the latter and its employees and/or agents in the strictest confidence and shall not be revealed to any unauthorized parties. Any violation of this section shall constitute a material breach of the Agreement and shall entitle the LICENSOR to the proper legal remedies.

VI. BRAND AND TRADEMARK

The LICENSEE hereby acknowledges that LICENSOR is the exclusive distributor of all HONOR products in the Philippines and as such is authorized under the law to prevent the unlawful use of the HONOR brand and trademark.

Nothing in this Agreement shall be construed as sharing with the LICENSEE ownership of intellectual property rights over the Honor brand and trademark. The Licensee shall only be entitled to the use of the HONOR brand and trademark in so far as it is reasonably required in the execution of this Agreement and the promotion, marketing and sale of HONOR products within its designated area of operation.

The LICENSEE shall not use the HONOR brand and trademark as part of any other corporation, partnership, or business entity in which the LICENSEE owns or holds another interest.

The HONOR brand and trademark shall be used only in relation to this Agreement and in the precise form described and designated by the LICENSOR.

THE LICENSEE shall not permit and shall promptly report to the LICENSOR any unauthorized use of the HONOR brand and trademark which may be deemed as an infringement or constitute an act of unfair competition.

VII. LICENSES, PERMITS AND TAXES

Prior to the opening of the HONOR CONCEPT STORE, the LICENSEE shall obtain from any local, regional or national government agency all applicable approvals, permits, and licenses which shall be necessary or advisable in the execution of this Agreement and the consummation of the entire transactions contemplated hereunder.

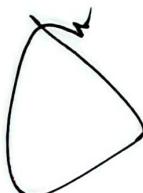
The licensee shall be primarily liable for the payment of all applicable tax liabilities that may be incurred in the course of the implementation of this Agreement.

VIII. INDEMNITY OF THE LICENSOR

The LICENSEE shall hold the LICENSOR free and harmless against any and all claims, actions, proceedings, damages liabilities, including attorney's fees, arising from or connected with operation of the HONOR CONCEPT STORE. In the event that the LICENSOR shall be held liable for any such damage, the LICENSEE shall indemnify and reimburse the LICENSOR for the full amount of such liability.

IX. NON-TRANSFERABILITY

It is understood that the LICENSOR had entered into this Agreement upon its consideration of LICENSEE's qualifications and commitment to open and operate the concept store and the rights herein granted to the LICENSEE are personal to the latter. Consequently, LICENSEE may not sell, assign, or otherwise transfer any rights granted under this Agreement or any interest in the License hereby granted prior to the opening of the concept store, except as may be authorized by the LICENSOR. Any unauthorized sale, assignment, or



transfer shall not be binding upon the LICENSOR nor shall the same relieve the licensee of any of its obligations hereunder or any other related agreements with the LICENSOR.

X. RELATIONSHIP OF PARTIES

The LICENSEE is and shall be considered an independent contractor with entire control and direction of its business operations, subject only to the conditions and obligations provided under this Agreement. The LICENSEE's business is separate and apart from any other business that may be operated by the LICENSOR. Neither party to this Agreement shall make any representation tending to create an apparent agency, employment, or partnership. Neither party will have authority to act for the other in any manner to create obligations or debts binding on the other, and neither party shall be responsible for any obligations or expenses of the other, whatsoever. Neither the LICENSEE nor any person performing any duties or engaged in any work on the premises of the concept store at the behest or request of the former shall be deemed an employee or agent of the LICENSOR.

XI. VENUE AND ATTORNEY'S FEES

In the event of any court litigation regarding this Agreement, the court of Quezon City, Metro Manila shall be the sole and exclusive venue of any action. The unsuccessful party in any court litigation under this Agreement shall pay the successful party, in addition to all of the sums that either party may be required by the courts to pay, a reasonable amount in attorney's fees.

XII. FINAL PROVISIONS

- A. ENTIRE AGREEMENT AND AMENDMENT.** This Agreement shall constitute the entire agreement of the parties with respect to the subject matter hereof and shall supersede any prior expression of intent or undertaking with respect to this transaction. This Agreement shall be amended only by an instrument in writing signed by the parties.
- B. CAVEAT EMPTOR.** The LICENSOR will not guarantee the success of the HONOR CONCEPT STORE. It is hereby understood that it is the primary responsibility of the LICENSEE to manage the business in order to ensure its success.
- C. WAIVER AND CUMULATIVE RIGHTS.** The failure or delay by the LICENSOR to require performance by the LICENSEE of any provisions of this Agreement shall not affect the former's right to require performance of such provision, unless said performance has been waived by the LICENSOR in writing. Moreover, all the rights granted to the parties under this Agreement shall be deemed cumulative and not alternative.
- D. SEPARABILITY.** Should any provision contained in this Agreement be held invalid, illegal or unenforceable, all the remaining provisions contained herein shall not in any way be affected or impaired and shall be considered effective and binding on the parties.
- E. NOTICES.** All notices or communications under this Agreement shall be in writing sent by _____ [put the manner of notice and address here]



F. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the LICENSOR and LICENSEE and, subject to the pertinent provisions hereof, their respective successors, executors, heirs and official representatives.

IN WITNESS WHEREOF, the parties have hereunto affixed their signatures on the date and place first above written.

For PRL SPEEDUP INC.

For _____

Licensor

Yap, Pablo Jr Toribio
Licensee

Witness

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF _____)S.S.

BEFORE ME, a Notary Public in and for the City of _____ this ____ day of _____, 2024, personally appeared:

NAME

VALID ID NO.

known to me and known to be the same person/s who signed and executed the foregoing instrument and acknowledged to me that the same is their free and voluntary act and deed.

This instrument consisting of _____ pages including the annexes and the acknowledgment which is written and signed by the parties and their two (2) instrumental witnesses.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial sela in City of _____, this _____ day of _____, 2024.

Doc. No.____;
Page No.____;
Book No.____;
Series of 2023.