

Kinmen Kaoliang Liquor Inc.
Marketing Proposal Evaluation Criteria
for Korean International Duty-Free Channel Distributors

No.	Evaluation Criteria	Maximum Score
1	<ol style="list-style-type: none"> 1. Possession of relevant Korean licenses, including the Liquor Import (Export) Permit and a Business Registration Certificate listing liquor as a business item. 2. Paid-in capital and net worth of at least KRW 100 million, or an equivalent amount in another currency. 3. Proven track record in sales through Korean duty-free channels 4. Documentary evidence demonstrating partnership intent or supplier documentation from at least two of Korea's three major duty-free retailers: Lotte, Shilla, and Shinsegae. 5. A score of 25 points will be awarded only if all of the above documents are submitted. No points will be given if any single item is missing. 	30
2	Annual Minimum Committed Distribution Amount: A minimum of USD 150,000 earns 20 points. For every additional USD 30,000, 2 extra points will be awarded.	30
3	Supply Pricing for Distribution Items is determined by deducting the distributor's profit (including channel margins) from the suggested retail price set by Kinmen Kaoliang Liquor Inc., with the profit margin capped at 70% of the suggested retail price. 15 points will be awarded for meeting this 70% profit ceiling. For every 1% reduction in profit margin, one additional point will be granted. (For detailed calculation methods, refer to Section 7.A.3 of the selection guidelines.)	25
4	Channel Liquor Product Placement Planning (e.g., negotiating with operators, handling customer complaints, training sales staff, coordinating product display locations, monitoring sales and inventory levels, providing market-related information, etc.)	10
5	Overview and Analysis of the Korean Duty-Free Channel Market	5
Total Score		
Description	<ol style="list-style-type: none"> 1. If any of the evaluation criteria for distributors fall below the minimum standards, no points will be awarded for that item. 2. If the total evaluation score is below 60 points, the distributor will not be included in the list of contract candidates. 3. In the event of a tie between multiple distributors with the same score, the evaluation will proceed in the following order: annual commitment to distribution amounts, distributor profit margins on products, channel product placement planning, duty-free channel sales performance, and other evaluation criteria. If a decision is still not reached, the Selection Committee will make a decision by majority vote. 	