

Date: 13 August 2024

**GUANGDONG SYNTRUST GK TESTING AND CERTIFICATION TECH SERVICE
CENTER CO., LTD.**

廣東集信國控檢測認證技術服務中心股份有限公司

AND

**XINYI CITY CONSTRUCTION ENGINEERING QUALITY AND SAFETY AFFAIRS
CENTER**

信宜市建設工程質量安全事務中心

DEED OF NON-COMPETITION

THIS DEED OF NON-COMPETITION is made on the 13th day of August 2024 between:

- (1) **GUANGDONG SYNTRUST GK TESTING AND CERTIFICATION TECH SERVICE CENTER CO., LTD.** 廣東集信國控檢測認證技術服務中心股份有限公司, a joint stock company incorporated in the People's Republic of China with limited liability with its registered office at 1/F, Building A, Construction Bureau Compound, Xinyi City, Maoming City, Guangdong Province, China (the "**Company**"); and

- (2) **XINYI CITY CONSTRUCTION ENGINEERING QUALITY AND SAFETY AFFAIRS CENTER** 信宜市建設工程質量安全事務中心, a public institution of the Xinyi City People's Government (信宜市人民政府) under the Xinyi City Bureau of Housing and Urban-Rural Development (信宜市住房和城鄉建設局) with its registered office at No. 4, Xinshang Road, Xinyi City, Maoming City, Guangdong Province, China ("**Covenantor**").

WHEREAS:

- (A) The Company has made an application to The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") for listing of and permission to deal in, its H shares on GEM of the Stock Exchange.

- (B) In order to effect the listing of the H Shares on the Stock Exchange, the Covenantor has agreed to execute and deliver this Deed in favour of the Company.

THIS DEED WITNESSES as follows:

1. Interpretation

These meanings apply unless the contrary intention appears:

associate(s)	has the meaning ascribed to it under the GEM Listing Rules.
Board	means the board of Directors.
close associate(s)	has the meaning ascribed to it under the GEM Listing Rules.
Companies (WUMP) Ordinance	means the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) as amended or varied from time to time.
Director(s)	means director(s) of the Company.
Effective Date	means the date on which dealings in H Shares on GEM of the Stock Exchange commence.
GEM Listing Rules	means the Rules Governing the Listing of Securities on GEM of the Stock Exchange.
Group	means the Company and its subsidiaries from time to time.
Hong Kong	means the Hong Kong Special Administrative Region of the People's Republic of China.

“H Share(s)”	ordinary shares in the share capital of our Company with a nominal value of RMB1.00, which are to be subscribed for and traded in HK dollars and are to be listed on the Stock Exchange
Listing	means the listing of the H Share on GEM of the Stock Exchange.
Prospectus	means the prospectus to be dated on or about 27 June 2024 and to be issued by the Company in connection with the Share offer.
Restricted Business	means any business or activity which will or may compete with the business engaged by the Group, including but not limited to the provision of construction engineering testing and inspection services in the PRC.
Shareholders(s)	means the holder(s) of the H Share(s).
Share Offer	means the offer of H Shares for subscription by the public in Hong Kong as particularly described in the Prospectus.
Stock Exchange	means the Stock Exchange of Hong Kong Limited.
subsidiary	has the meaning ascribed to it under section 15 of the Companies Ordinance (Cap 622 of the Laws of Hong Kong).

2. **Conditions and non-competition and engagement undertakings**

- 2.1 This Deed shall commence on the day on which the conditions set out in the paragraph headed “Conditions of the Share Offer” under the section headed “Structure and Conditions of the Share Offer” in the Prospectus are fulfilled (or such other later date as set out therein), and if such conditions are not fulfilled on or before the date falling 30 days after the date of the Prospectus, this Deed shall become null and void and neither party shall have any rights or actions against the other party hereunder, otherwise such conditions shall be deemed to have been fulfilled on the Effective Date.
- 2.2 The Covenantor hereby irrevocably and unconditionally agree, undertake to and covenant with the Company that with effect from the Effective Date, the Covenantor shall (and shall procure its associates, excluding the Company, to) not, directly or indirectly (including through any body corporate, partnership, joint venture or other contractual arrangement or as a principal or an agent, whether on their own account or on behalf of any person, firm or company or through any entities), invest in, be engaged in, participate in or hold any right or interest in any Restricted Business.
- 2.3 The Covenantor hereby irrevocably and unconditionally agree, undertake to and covenant with the Company that with effect from the Effective Date, in respect of any business opportunity identified, being proposed or offered to participate by it and/or its associates for the carrying on, investment in or engagement in any principal business (the “**Business Opportunity**”) currently and from time to time engaged by the Group, the Covenantor shall (and shall procure its associates, excluding the Company, to):
- (a) refer, or shall procure its associates to refer (where such Business Opportunity has been proposed or offered to it and/or its associates by a third party), such Business Opportunity to the Company by giving a written notice (which shall contain all information of, and the relevant terms and conditions for, the Business Opportunity obtained thereby) (the “**Referral Notice**”) within 14 days after it and/or its associates has identified, has been proposed or offered to participate in the Business Opportunity, and the Directors who are not the directors of the

Covenantor or its associates and have no actual or potential material interest in the Business Opportunity, directly or indirectly, will decide whether or not to take up such opportunity. Any Director who is a director of any associate of the Covenantor or has actual or potential material interest in the Business Opportunity shall abstain from voting at, and shall not be counted in the quorum for, any Board meeting convened to consider such Business Opportunity. The factors that will be taken into consideration in making the decision shall include whether taking up the Business Opportunity is in line with the business strategy and future business development of the Group and hence the overall interests of the Shareholders. If it is decided that our Company shall take up such Business Opportunity, the Directors shall take all actions as may be necessary, including passing the requisite resolutions, to give full effect to such decision;

- (b) if a Business Opportunity is refused by the Company, the Covenantor or its associates may take up such opportunity if (i) a notice is received by the Covenantor from the Company confirming that the Business Opportunity is not accepted or the Covenantor or its associates have not received from the Company a notice confirming that the Business Opportunity is accepted within 30 days after the Referral Notice is given to the Company; (ii) the principal terms of which the Covenantor or its associates carry on, invest or engage in are no more favourable than those made available to the Company; and (iii) it would not result in a breach of any provisions of this Deed; and
- (c) if there is any material change in the nature, terms or conditions of such Business Opportunity pursued by the Covenantor or its associates, it (or they) shall and shall procure its (or their) associates to refer such Business Opportunity as so revised to the Company as if it were a new Business Opportunity.

2.4 The Covenantor shall provide to the Company and/or the Directors (including the independent non-executive Directors) from time to time all information necessary for an annual review by the independent non-executive Directors with regard to compliance with the terms of this Deed. Such review results will be disclosed in the Company's annual reports after Listing. The Covenantor has also undertaken to allow the Directors, their respective representatives and the auditors of the Company to have sufficient access to the relevant records of the Covenantor and its associates to ensure their compliance with the terms and conditions of and for monitoring the performance of this Deed. The Covenantor has also undertaken to issue an annual confirmation to the Company on compliance with the terms of this Deed, and consenting to the disclosure of such confirmation in the annual reports of the Company, thereby enabling the Company to keep monitoring the compliance with this Deed by the Covenantor.

2.5 The Covenantor and its close associates are allowed to hold shares in a company or business which engages in the Restricted Business, provided that the aggregate interest of the Covenantor and its close associates is less than 30% or any lower percentage which would trigger the mandatory general offer obligations under the applicable rules of the relevant stock exchange, and do not have power to control the majority of the relevant board of directors.

2.6 The Directors (including independent non-executive Directors) are allowed to engage professional advisers at the cost of the Company for advices on matters relating to the new Business Opportunity or if and when they think necessary in the course of reviewing the compliance with this Deed.

3. Acknowledgments and Indemnity by the Covenantor

3.1 The Covenantor hereby acknowledge that each of the restrictions and undertakings contained in this Deed is being granted to the Company for the benefit of the Company. The Covenantor further acknowledge that the provisions of this Deed are no more extensive than is reasonable to protect the Company and the subscribers and other purchasers of the H Shares at the time of and subsequent to the Share Offer.

3.2 The Covenantor undertakes to the Company that he or she or it would, during the term of this Deed, indemnify and keep indemnifying the Company against any loss suffered by the Company arising out of any breach of any of his or her or its undertaking under this Deed.

4. Separate Nature and Reasonableness of Non-competition Undertakings

4.1 The covenants and undertakings contained in this Deed are independent of each other and are not to be construed respectively by reference to one another.

4.2 The Covenantor declare that while the restrictions contained in this Deed are considered by the Covenantor to be reasonable in all the circumstances, it is recognised that restrictions of the nature in question may fail for technical reasons unforeseen and accordingly the Covenantor hereby agree and declare that if any such restrictions shall be adjudged to be void as going beyond what is reasonable in all the circumstances for the protection of the interests of the Company but would be valid if part of the wordings thereof were deleted or the periods (if any) thereof were reduced, the said restriction shall apply with such modifications as may be necessary to make it valid and effective.

5. Termination

The undertakings given by the Covenantor under this Deed shall lapse and the Covenantor shall be released from the restrictions imposed on it upon occurrence of the earliest of any of the following events or circumstances:

(a) the day on which the Covenantor and its associates (individually or taken as a whole) cease to be interested in 30% or more of the then issued share capital of the Company directly or indirectly or the Covenantor ceases to be considered as the controlling shareholder (within the meaning ascribed to it under the GEM Listing Rules from time to time) of the Company and do not have power to control the majority of the Board; or

(b) the day on which the H Shares cease to be listed and traded on the Stock Exchange (except for temporary suspension of trading of the H Shares on the Stock Exchange due to any reason).

6. Waiver and Assignment

6.1 No failure or delay by the Company in exercising any rights, power or remedy under this Deed shall operate as a waiver thereof, 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.

6.2 Neither the whole nor any part of the obligations of the Covenantor under this Deed shall be capable of assignment.

7. Successors and Assigns

This Deed shall be binding upon the Covenantor and its successors and permitted assigns, and shall enure to the benefit of, and be enforceable by, the Company and its successors and permitted assigns.

8. Governing Law

This Deed is governed by the laws of Hong Kong. Each party submits to the non-exclusive jurisdiction of the courts of Hong Kong.

9. Serving Documents

Without preventing any other method of service, any document in an action may be served on a party by being delivered or left at that party's address in Schedule 1.

IN WITNESS WHEREOF this Deed has been duly executed and delivered on behalf of the Parties on the date first above written.

SEALED with THE COMMON SEAL of
GUANGDONG SYNTRUST GK TESTING
AND CERTIFICATION TECH SERVICE
CENTER CO., LTD.
廣東集信國控檢測認證技術服務中心股份有限公司
by: Lai Feng (賴鋒)

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in the presence of:

Pan Xiaorong
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SEALED with THE COMMON SEAL of
XINYI CITY CONSTRUCTION
ENGINEERING QUALITY AND
SAFETY AFFAIRS CENTER
信宜市建設工程質量安全事務中心
by: Chen Yonglin (陳泳霖)

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in the presence of:

Zhou Wei
周卫

SCHEDULE 1
CONTACT DETAILS

The contact details of the Parties for the purpose of Clause 9 are as follows:

<u>Party</u>	<u>Contact Details</u>
Company	Address: 1/F, Building A, Construction Bureau Compound, Xinyi City, Maoming City, Guangdong Province, China Email address: 8816106@xyjiance.cn Attention: The Board of Directors
Covenantor	Address: 信宜市新尚路 4 号住建局七楼 Email address: xyzj8822613@163.com Attention: 周卫