

Undertaking Letter

Contel Technology Company Limited

Unit No. A, 13th Floor, Block 1
Leader Industrial Centre
Nos. 188–202 Texaco Road
Tsuen Wan
New Territories

14 November 2022

Dear Sirs,

We, Kingtech (BVI) Limited, refer to the proposed rights issue (the "**Rights Issue**") of 320,000,000 new shares of Contel Technology Holding Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 1912) (the "**Company**"), (the "**Shares**", and each, a "**Share**") on the basis of two (2) new Shares for every five (5) existing Shares held, at the subscription price of HK\$0.063 per rights Share.

1. Representations and warranties

We hereby represent, warrant and undertake that:

- (i) as at the date hereof, we are beneficial owner of 60,000,000 Shares (the "**Relevant Shares**"), representing 7.5% of the total number of the existing issued Shares, free from any Encumbrance, security interest or other arrangements of any kind which may affect our entitlement to the Rights Issue;
- (ii) other than the Relevant Shares, we do not as at the date hereof, hold any legal or beneficial interest (as interpreted in accordance with the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) or ownership, directly or indirectly, in any other securities of the Company and does not have any rights to subscribe, purchase or otherwise acquire any securities of the Company;
- (iii) all information and statements relating to us in the enclosed draft announcement of the Company in connection with the Rights Issue is true, accurate and without material omissions;
- (iv) we have available resources to subscribe to the Committed Shares (as hereinafter defined) as at the date hereof, and shall ensure that we shall have such resources available at the time of consummation of such subscription at the completion of the Rights Issue; and
- (v) we are parties acting in concert with P. Grand (BVI) Limited for the purpose of the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong and to the best of our knowledge, there are no facts or circumstances which may affect such status prior to and upon completion of the Rights Issue.

"**Encumbrance**" when used herein shall mean a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind, or another type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect

2. Irrevocable Undertaking

2.1 We irrevocably and unconditionally undertake to the Company that:

- (i) we shall remain the beneficial owner of the Relevant Shares from the date of this Undertaking Letter up to and including the date by reference to which entitlements to the Rights Issue are expected to be determined;
- (ii) we shall not sell, transfer, charge, create or permit to subsist any Encumbrance over or otherwise dispose of (or permit any such action to occur in respect of), directly or indirectly, all or any of the Relevant Shares or any interest therein;
- (iii) we shall not enter into any agreement, arrangement or understanding in respect of our entitlement to the Rights Issue attached to the Relevant Shares or otherwise enter into discussions or negotiations in connection thereof, other than pursuant to or as permitted under this Undertaking Letter;
- (iv) we shall accept or procure the acceptance of the new Shares to be offered to us under our entitlement pursuant to the Rights Issue of **24,000,000** Shares (the "**Committed Shares**");
- (v) we shall procure that completed provisional allotment letter in respect of the Committed Shares shall be lodged with the share registrar of the Company with payment in full therefor (**in the amount of HK\$1,512,000 or equivalent amounts in US dollars**) in cash on or before the latest time for acceptance and payment for the Rights Issue in accordance with the instructions printed on the provisional allotment letter with the effect of application for subscription for the full amount of the Committed Shares on a fully-paid basis;
- (vi) we shall not, and shall procure that persons acting in concert with us shall not, acquire any legal or beneficial interest in any Shares other than the Committed Shares from the date of this Undertaking Letter until completion of the Rights Issue; and
- (vii) we shall provide the Company and its Representatives (as hereinafter defined) such necessary assistance in responding to any such enquiries as may be raised by any regulator having jurisdiction over the Company in connection with us, this Undertaking Letter and related matters in connection with the Rights Issue.

2.2 Without prejudice to any other rights or remedies available to the Company, in our default to comply with our obligations under paragraph 2.1 above, the Company shall be entitled and is hereby irrevocably authorised to treat this Undertaking Letter as an application by us for all the Committed Shares, and to allocate and procure the issue of the same to us and to procure the registration of such number of Shares in our names upon payment for such number of Shares which shall be made by us or on our behalf forthwith.

2.3 We hereby irrevocably and unconditionally undertake to the Company that we shall keep the information relating to the Rights Issue (the "**Information**") in complete and strict confidence and shall not, except as provided in this paragraph, without the prior written consent of the Company be disclosed either directly or indirectly by us, or by our or our affiliates' respective agents, representatives, officers, directors, employees

or professional advisors (together, "**Representatives**"), in any manner whatsoever, in whole or in part, and shall not be used by us or by our Representatives, for any purpose whatsoever other than for the purpose of evaluating the Rights Issue. Moreover, we agree to reveal the Information only to such of our Representatives who need to know the Information for the purpose of evaluating the Rights Issue, who are informed by us of the confidential nature of the Information and who shall agree to act in accordance and compliance with this paragraph. We agree that we shall be responsible to the Company for any breach of this paragraph by us or our Representatives. In the event that we make disclosure pursuant to any law or regulation or the requirements of any stock exchange or other regulatory authority with whose rules we are required to comply, as to any part of the Information, we shall, to the extent legally permissible, notify you in writing of the same prior to making such disclosure. We will exercise our best efforts to ensure that to the maximum extent possible in the circumstances confidential treatment will be accorded the Information.

- 2.4 We hereby irrevocably and unconditionally agree and consent to (i) the disclosure of information concerning us and this Undertaking Letter in any disclosures or publications of the Company related to the Rights Issue; and (ii) the filing of a copy of this Undertaking Letter to any regulatory authority.

3. **Termination**

This Undertaking Letter shall automatically lapse upon the lapse of the Right Issues for whatever reason and be of no further force and effect and we shall have no claim against the Company, and the Company shall have no claim against us save for any antecedent breach.

4. **Governing Law and Jurisdiction**

This Undertaking Letter shall be governed by and construed in accordance with the laws of Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"). We hereby irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong.

5. **Miscellaneous**

- 5.1 Any date, time or period referred to in this Undertaking Letter shall be of the essence.
- 5.2 We hereby acknowledge that we have been given a realistic opportunity to consider whether or not to give this Undertaking Letter and has received independent advice about the nature of the obligations thereunder.
- 5.3 The parties herein do not intend that any term of this undertaking shall be enforceable, by virtue of the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong), by any person who is not a party to this Undertaking Letter.
- 5.4 This Undertaking Letter supersedes any previous agreements (if any) relating to the subject matter of this Undertaking Letter.
- 5.5 Any variation of this Undertaking Letter is only valid if it is acknowledged and agreed to by the Company or its authorised Representative in writing.

In witness whereof this letter has been executed and delivered as a deed by us the day and year first above mentioned.

EXECUTED and delivered as a deed
by **Kingtech (BVI) Limited**
acting by

) *For and on behalf of*
) **Kingtech (BVI) Ltd.**
)
)
) 冯涛
) *Authorized Signature(s)*
) Duly Authorised Signatory
)
) Name: 冯涛
)
) Title: Director
)
)

in the presence of:

御浩东
Signature of Witness
Name: 御浩东
Address: 上海市静安区北京西路758弄
19号102室