

## **2025 DRILL PIPE INSPECTION AND COATING SERVICES AGREEMENT**

This 2025 Drill Pipe Inspection and Coating Services Agreement (this "Agreement"), dated as of August 1, 2025, is entered into between Hilong USA LLC, a limited liability company with an address of 10333 Richmond Ave, STE 1025, Houston, TX 77042 (hereafter referred to as "Customer" or "Transferor") and Texas Internal Pipe Coating, LLC, a Texas limited liability company with an address of 8436 Hwy 75 South, Madisonville, TX 77846 (hereafter referred to as "Vendor" or "Transferee").

(Hereafter Customer and Vendor shall be referred to as a "Party" and collectively as the "Parties").

### **RECITALS**

WHEREAS, Vendor shall provide drill pipe inspection and coating services to Customer as and when requested by Customer during the term of the agreement, subject to the terms and conditions set forth herein. NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

### **ARTICLE 1**

#### **TRANSFER OF PROPERTY RELATED TO SERVICES RENDERED**

The execution, delivery and performance by Transferor (of this Agreement and the documents to be delivered hereunder, and the consummation of the transactions contemplated hereby), **do not and will not: (a) violate or conflict with the certificate of incorporation, by-laws or other organizational documents of Transferor; (b) violate or conflict with any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to Transferor or the Transferred Property; (c) conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration or modification of any obligation or loss of any benefit under any contract or other instrument to which Transferor is a party or to which any of the Transferred Property is subject; or (d) result in the transfer of ownership between Transferor and Transferee, as Property will remain wholly owned by Transferor.** No consent or approval, waiver or authorization is required to be obtained by Transferor from any person or entity (including any governmental authority) in connection with the execution, delivery and performance by Transferor of this Agreement and the consummation of the transactions contemplated hereby.

### **ARTICLE 2**

#### **AGREEMENT COMMENCEMENT, DURATION AND PAYMENT**

This Agreement shall become effective on and from [August 1, 2025] and remain in full force and effect for [December 31, 2025], subject to the approval of



independent shareholders of Hilong Holding Limited ("Hilong Holding Limited") at the extraordinary general meeting approving this Agreement.

The Parties have the option to renew this Agreement, subject to mutual agreement of the Parties and compliance with all the rules and requirements set out in the applicable laws and regulations (including the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules")).

Customer shall pay the Vendor within 60 days from the date of invoice.

### **ARTICLE 3**

#### **TRANSFER OF PROPERTY & RELATED PERFORMANCE OBLIGATIONS**

Upon transfer of property from Customer to Vendor, the Vendor shall (a) provide for facilities with which to store Customer property while held at Vendor site, (b) inspect Customer property for quality, and report findings to the Customer, (c) load and unload property as delivered and picked up by the Customer for inspection and storage, and (d) perform any additional services as agreed upon in writing between the Customer and Vendor.

In consideration of the aforementioned services, Customer agrees to pay all costs and expenses incurred by Vendor.

### **ARTICLE 4**

#### **ENFORCABILITY & GOVERNING LAW**

This Agreement and the documents to be delivered hereunder constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and the documents to be delivered hereunder, the Exhibits, the statements in the body of this Agreement will control.

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

This Agreement shall be governed by and construed in accordance with the internal laws of the State of Texas without giving effect to any choice or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction).

### **ARTICLE 5**

#### **PRICING POLICY**



Prices are determined after arm's length negotiations between the Parties with references to prevailing market prices within the industry and considering regional price differences, with reference to:

i. Drill pipe sorting and inspection services pricing policy

(a) Prices are determined after arm's length negotiations between the Parties with references to prevailing market prices within the industry and considering regional price differences; and

(b) Costs to be incurred by Vendor for drill pipe sorting and inspection services with reasonable profit margin of approximately 15%. The profit margin is determined after arm's length negotiation between the Parties with reference to the profit margin of similar and comparable transactions with party(ies) independent of and not connected with Hilong Holding Limited and its connected persons (as defined under the Listing Rules) ("Independent Third Party(ies)") in the corresponding period.

ii. Drill pipe coating services pricing policy

Prices are determined after arm's length negotiations between the parties with references to prevailing market prices within the industry and considering regional price differences by comparing quotations obtained from Vendor and independent third party providers.

iii. Other related processing services are determined based on prevailing market rates.

The prices and conditions (including payment terms) for drill pipe inspection and coating services offered by Vendor to Customer shall be no less favorable to Customer than those quotations obtained from Independent Third Parties.

## ARTICLE 6

### ANNUAL CAP

The annual cap of this Agreement shall be subject to the transaction amounts disclosed by Hilong Holding Limited on the website of The Stock Exchange of Hong Kong Limited from time to time.

The annual cap of this Agreement is determined with reference to (i) the anticipated demand for inspection and coating services required by Customer, which is based on the quantity of drill pipes require repairing; (ii) the prevailing market quotations with respect to the drill pipe inspection and coating services provided by Independent Third Parties in the region; and (iii) the quotation provided by Vendor for providing drill pipe inspection and coating services as disclosed in the circular by Hilong Holding Limited on the website of the Stock Exchange of Hong Kong Limited from time to time.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

TRANSFEROR:

HILONG USA, LLC

By

Name: Xiaogang Zhou

Title: President, Hilong North American Region



TRANSFeree:

TEXAS INTERNAL PIPE COATING, LLC

By

Name: Victor Liang

Title: President



*[Handwritten signature]*