

**Dated the 1st day of January 2014**

**CHINA PRIMARY RESOURCES HOLDINGS LIMITED**

**and**

**MA ZHENG**

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**SERVICE AGREEMENT**

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**THIS SERVICE AGREEMENT** (the “Agreement”) is made on the 1st day of January 2014

**BETWEEN:**

- (1) **CHINA PRIMARY RESOURCES HOLDINGS LIMITED**, a company incorporated in the Cayman Islands, the principal place of business of which is situated at Suite 1415, Ocean Centre, 5 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong (the “Company”); and
- (2) **MA ZHENG** (HKID No. R624744(9)) an individual residing at Room 3905, Block 11, Wanke Paradiso, Furong Road, Shenzhen, China (“Ms. Ma Zheng”).

**WHEREAS** the Company has agreed to employ the Director and the Director has agreed to serve the Company as an executive director by providing the Company with the services hereinafter described on the terms and conditions set out below

**IT IS HEREBY AGREED:**

**1. INTERPRETATION**

- (A) In this Agreement and the recital, save where the context otherwise requires, the following terms shall have the respective meanings set opposite them:-

<b>“Associate”</b>	having the meaning ascribed thereto in the GEM Listing Rules;
<b>“Appointment”</b>	the appointment of the Director as an executive director of the Company effected by Clause 2;
<b>“Board”</b>	the board of directors from time to time of the Company or (as the context may require) the majority of directors present and voting at any meeting of the Board duly convened and held;
<b>“Business”</b>	all the business and affairs presently carried on and that may in the future be carried on by the Group or any member of it from time to time;
<b>“Business Day”</b>	any day (including Saturday) on which banks in Hong Kong generally are open for business;

<b>“Companies Ordinance”</b>	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong);
<b>“Confidential Information”</b>	in relation to business carried on by the Group, all information, know-how, trade secrets and records (in whatever form held), including (without limitation) all formulae, designs, specifications, drawings, data, manuals and instructions, customer lists, supplier lists, business plans and forecasts, technical or other expertise and computer software, accounting and tax records, correspondence, orders and enquiries which are confidential or not generally known;
<b>“Financial Year”</b>	the financial year of the Company from time to time;
<b>“GEM Listing Rules”</b>	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange, as amended from time to time;
<b>“Group”</b>	collectively, the Company, its holding company and Subsidiaries from time to time and the expression “Group Company” or “member of the Group” shall be construed as any member of the Group;
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong;
<b>“Hong Kong”</b>	Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“Memorandum and Article of Association”</b>	the memorandum and articles of association of the Company;
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited;
<b>“Subsidiary”</b>	has the meaning ascribed thereto in section 2 of the Companies Ordinance; and
<b>“this Agreement”</b>	means this Agreement as may from time to time be amended modified or supplemented pursuant to clause.

- (B) In this Agreement, words importing the singular include the plural and vice versa, words importing gender or the neuter include both genders and the neuter and references to persons include bodies corporate or unincorporate.
- (C) References herein to “Clauses” are to clauses of this Agreement.
- (D) The heading and table of contents in this Agreement are for convenience only and shall not affect its interpretation.
- (E) References to any statute or statutory provision shall be construed as references to such statute or statutory provision as respectively amended, consolidated or re-enacted, or as

its operation is modified by any other statute or statutory provision (whether with or without modification), and shall include any subsidiary legislation enacted under the relevant statute.

## **2. APPOINTMENT**

- (A) The Company shall employ the Director and the Director shall well and faithfully serve the Company as an executive director and to carry out his duties hereunder including, but without limitation, to (i) be responsible for the overall strategic planning and business development of the Group; (ii) be responsible for the development and extension of the Business; and (iii) to perform such other duties as the parties hereto may agree, subject to and upon the terms set out below.
- (B) The Appointment shall commence from the **1st day of January 2014** and shall continue thereafter unless and until terminated in accordance with Clause 8, or by either party giving to the other not less than three calendar months' prior notice in writing of such intended termination or in lieu of the said three calendar months' notice an amount equivalent to three months' salary based on the Director's last drawn monthly salary so as to expire at the end of two (2) years from the **1st day of January 2014** or any time thereafter. The same term as set out in this Agreement shall apply to any renewed term of appointment of the Director, save as the salary the applicable amount of which shall be such as may be prevailing in the immediately preceding terms of this Agreement.

## **3. DIRECTOR'S DUTIES AND SERVICES**

- (A) The Director hereby undertakes with the Company that during the term of the Appointment, he shall use his best endeavours to carry out his duties hereunder and to protect, promote and act in the best interests of the Company and the Group.
- (B) The Director in his office as an executive director of the Company shall:-
- (i) devote his time and efforts exclusively and diligently to the interests and affairs of the Company in the discharge of his duties in relation to the Company and the Group generally;
  - (ii) in the discharge of such duties and in the exercise of such powers, comply with all and any lawful directions and instructions from time to time made or given to him by the Board according to the best of his skills and ability and comply with all resolutions and regulations from time to time passed or made by the Board;
  - (iii) in pursuance of his duties hereunder, perform such services for the Group and (without further remuneration unless otherwise agreed) accept such offices in the Group as the Board may from time to time reasonably require and without limiting the generality of this Clause, act as a director of the Company and/or of any Subsidiary; and
  - (iv) faithfully and diligently perform such duties and exercise such powers as are consistent with his office in relation to the Company and the Group.

- (C) The Director shall at all times give promptly to the Board (in writing if so requested) all such information as they may reasonably require in relation to his duties hereunder and of the Business in so far as such information is or ought to be within the knowledge of the Director and provide such explanations as the Board may require in connection therewith.
- (D) The Director shall carry out his duties and exercise his powers jointly with any other director executive or officer as shall from time to time be appointed by the Board to act jointly with the Director and the Board may at any time require the Director to cease performing or exercising any of his duties or powers under this Agreement without assigning any reason therefor.
- (E) The normal office hours of the Company are 9:00 a.m. to 6:00 p.m. (lunch break : 1:00 p.m. to 2:00 p.m.), Monday through Friday. The Director may be required to (and, if so required, shall) work outside these normal hours without additional pay.
- (F) The Director shall be required to carry out his duties in Hong Kong or such other parts of the world as the Board may request or as the interests, needs, business and opportunities of the Company or Group will require or be deemed advisable by the Board.

#### **4. REMUNERATION**

- (A) In consideration for the performance of his duties hereunder, the Director shall receive during the term of the Agreement, a fixed monthly salary of HK\$80,000.00 in arrears before tax, each such monthly salary being payable on the last day of each calendar month and such salary shall be reviewed annually by the Board and decided by the majority in number of the members of the Board.
- (B) Payment of such salary to the Director referred to in Clause 4(A) shall be made either by the Company or by other Group Company and if by more than one company in such proportions as the Board may from time to time think fit.
- (C) For each completed year of service, a discretionary bonus, as may be decided by the Board, may be paid to the Director.
- (D) The Director shall be entitled to participate in any share option scheme of the Company or of any Group Company and shall be entitled to receive such number of options pursuant to the terms and conditions of such share option scheme as the Board may deem appropriate from time to time.

## **5. BENEFITS AND EXPENSES**

- (A) The Company shall reimburse the Director all reasonable out-of-pocket expenses (including expenses of entertainment, subsistence and travelling) properly incurred by him in relation to the Business or in the discharge of his duties hereunder, which expenses shall be evidenced in such manner as the Board may require.
- (B) The Company shall pay annual subscriptions and premiums for medical insurance of its choice for the benefit of the Director, which coverage shall be on such terms and in such amount as the Board in its absolute discretion shall deem fit.
- (C) The Company shall operate a Mandatory Provident Fund Scheme in accordance with the laws of Hong Kong in which the Director's contribution is 5% of the monthly salary in Clause 4(A) or HK\$1,250.00 whichever is lower; while the Company's contribution will be 5% of the Director's monthly salary in Clause 4(A) or HK\$1,250.00 which is lower.
- (D) The Company shall pay or provide to the Director such additional benefits as the Board shall in its absolute discretion deem appropriate.

## **6. LEAVE**

- (A) The Director shall (in addition to Sundays and statutory holidays) be entitled, to paid holiday of **18** working days in each calendar year (or pro rata working days for an incomplete calendar year) during the term of the Appointment, to be taken at such time or times convenient to the Company as the Board may agree.
- (B) Annual holidays mentioned in Clause 6(A) cannot be accumulated or carried over by the Director into the next six months of the following year and such annual holidays due to the Director, if not fully taken during the relevant calendar year, will be forfeited without compensation unless a written approval is granted by the Board.

## **7. SHARE DEALINGS**

The Director shall comply with every relevant rule of law, regulation of The Stock Exchange of Hong Kong Limited, the Hong Kong Securities and Futures Commission or any other regulatory authority or other market(s) on which he or his Associates deals (including but not limited to complying with every regulation of the Company and the Memorandum and Articles of Association in force in relation to dealings in shares, debentures or other securities of the companies in the Group and in relation to unpublished price-sensitive information affecting the shares, debentures or other securities of any company in the Group, and in relation to overseas dealings the Director shall also comply with all laws of the place and all regulations of the stock exchange, market or dealing system in which such dealings take place.

## **8. TERMINATION**

- (A) Without prejudice to the accrued rights (if any) or remedies of either party under or pursuant to this Agreement, the Company shall be entitled (but not obliged) to terminate the Appointment without any compensation to the Director:-

- (i) by not less than three months' notice in writing given at any time while the Director shall have been incapacitated or prevented by reason of physical ill health injury or accident from performing his duties hereunder for a period of or periods aggregating 182 days in the preceding 12 months, provided that if at any time during the subsistence of a notice given pursuant to this sub-paragraph, the Director shall provide a medical certificate satisfactory to the Board to the effect that he has fully recovered his physical health and that no recurrence of illness or incapacity can reasonably be anticipated the Company shall withdraw such notice; or
- (ii) by summary notice in writing with immediate effect if the Director at any time:-
  - (a) commits any serious or wilful or persistent breach of any of the provisions herein contained (and to the extent that such breach, if capable of remedy, fails to be remedied within 30 days after written notice from the Board);
  - (b) is guilty of dishonesty or any grave misconduct or wilful neglect in the discharge of his duties hereunder (and to the extent that such breach, if capable of remedy, fails to be remedied within 30 days after written notice from the Board);
  - (c) absent himself from the meetings of the Board during a continuous period of six months, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated in his office;
  - (d) becomes of unsound mind, or is or becomes a patient for any purpose of any ordinance or law relating to mental health;
  - (e) becomes bankrupt or has a receiving order made against him or makes any arrangement or composition with his creditors generally;
  - (f) is otherwise prohibited by law from fulfilling his duties hereunder;
  - (g) is convicted of any criminal offence (other than a criminal conviction which in the opinion of the Board does not affect his position in the Company);
  - (h) be guilty of conduct tending to bring himself or any Group Company into disrepute;
  - (i) refuse to carry out any reasonable lawful order given to him by the Board in the course of his employment or fail diligently to attend to his duties hereunder;



- (j) improperly divulge to any unauthorised person any Confidential Information or any other business secret or details of the organisation, business or clientele of the Group; and
  - (k) be removed as a director of the Company by its shareholders in general meeting.
- (B) If the Company becomes entitled to terminate the Appointment pursuant to Clause 8(A), it shall be entitled (but without prejudice to its right subsequently to terminate the Appointment on the same or any other ground) to suspend the Director with or without payment of salary, in full or in part, for so long as it may think fit.
- (C) Upon the termination of the Appointment howsoever arising, the Director shall:-
- (i) at any time and from time to time thereafter at the request of the Company immediately resign from office as a chief executive officer of the Company and all offices held by him in any other company in the Group, and the Director hereby irrevocably appoints the Company and any person nominated by it for the purpose severally as his lawful attorney and in his name and on his behalf to execute any document under hand or under seal or do any thing necessary to give effect thereto and a certificate in writing signed by a legal advisor to the Company that any instrument or act falls within the authority hereby conferred shall be conclusive evidence that such is the case and any third party shall be entitled to rely on such certificate without further enquiry, provided howsoever that such resignation or resignations shall be given and accepted on the footing that it is or they are without prejudice to any claim which the Director may have against any such company arising out of this Agreement or of the termination of the Appointment;
  - (ii) forthwith deliver to the Company all books, records (whether in machine readable or eye readable form), documents, papers, materials, correspondence, accounts, together with all copies thereof and other property of or relating to the Group or the Business which may then be in his possession or under his power or control; and
  - (iii) not at any time thereafter represent himself to be connected with the Company and/or the Group in any respect.

## **9. CONFIDENTIAL INFORMATION**

- (A) The Director shall not at any time during the term of the Appointment or after the termination of the Appointment without limit in point of time:-
- (i) use or cause, permit or suffer to be used any Confidential Information for his own purpose or for any purpose other than that of the Group; or
  - (ii) divulge or communicate or cause, permit or suffer to be divulged or communicated to any person any Confidential Information, save to those of the employees or officials of the Group whose province it is to know the same; or

(iii) through any failure to exercise all due care and diligence, cause or permit or suffer to be caused any unauthorised disclosure of any Confidential Information, including (without limitation):-

- (a) relating to the dealings, organisation, business, finance, transactions or any other affairs of the Group or its clients or customers; or
- (b) in respect of which any such company is bound by an obligation of confidence to any third party.

Provided that these restrictions shall cease to apply to any information or knowledge which (otherwise than through the default of the Director) has become available to the public generally or otherwise required by law or any applicable legislation to be disclosed.

- (B) Since the Director may obtain in the course of the Appointment, by reason of services rendered for or offices held in any other Group Company, knowledge of the Confidential Information of such company, the Director hereby agrees that he will at the request and cost of the Company or such other company enter into a direct agreement or undertaking with such company whereby he will accept restrictions corresponding to the restrictions herein contained (or such of them as may be appropriate in the circumstances) in relation to such products and services and such area and for such period as such company may reasonably require for the protection of its legitimate interests.
- (C) All notes, memoranda, records and writings made by the Director in relation to the Business or concerning any of its dealings or affairs or the dealings or affairs of any clients or customers of the Group shall be and remain the property of the Group and shall be handed over by him to the Company (or to such other company in the Group as the case may require) from time to time on demand and in any event upon his leaving the service of the Company, and the Director shall not retain any copy thereof.

## **10. FORMER SERVICE AGREEMENTS**

The Director hereby acknowledges that he has no claim of any kind whatsoever against any Group Company and without prejudice to the generality of the foregoing, he further acknowledges that he has no claim for damages against any Group Company for the termination of any previous service agreements, arrangements or undertakings for the sole purpose of entering into this Agreement.

## **11. AMENDMENTS**

This Agreement shall not be capable of being amended, supplemented or modified in any manner, save by an instrument in writing signed by the parties hereto.

## 12. SEVERABILITY

If at any time any provision of this Agreement is or becomes invalid, illegal, unenforceable or incapable of performance in any respect, such provision shall be deemed to be deleted from this Agreement, and the validity, legality, enforceability or performance of the remaining provisions of this Agreement shall not thereby in any respect be affected or impaired.

## 13. TIME

Time shall be of the essence of this Agreement.

## 14. NOTICE

- (A) Each notice, demand or other communication given or made under this Agreement shall be in writing and delivered or sent by post or airmail or by facsimile transmission to the relevant party at its address or fax number set out below (or such other address of fax number as the addressee has by five (5) days' prior written notice specified to the other parties):-

**To the Company :** China Primary Resources Holdings Limited  
Suite 1415, Ocean Centre, 5 Canton Road, Tsim Sha Tsui,  
Kowloon, Hong Kong

Fax Number : (852) 2526-3354

**To the Director :** Room 3905, Block 11, Wanke Paradiso, Furong Road,  
Shenzhen, China

Fax Number : 755-2563-0729

- (B) Any notice, demand or other communication so addressed to the relevant party shall be in English and shall be deemed to have been delivered (a) if given or made by post shall be deemed received 3 Business Days after the date of dispatch; (b) if given or made by hand, when delivered at the address referred to above; and (c) if given or made by fax, when despatched subject to receipt of uninterrupted transmission provided that any fax received after 5:00 p.m. shall be deemed received at 9:00 a.m. on the immediately following Business Day.

## 15. GOVERNING LAW AND JURISDICTION

- (A) This Agreement shall be governed by and construed in all respects in accordance with the laws of Hong Kong.
- (B) The parties hereto hereby irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong in connection any dispute or conflict which may arise under the terms hereof.

**IN WITNESS** whereof this Agreement has been duly executed by the parties hereto and/or by their duly authorised representative(s) on the day and year first above written.

The Common Seal of )  
**CHINA PRIMARY RESOURCES** )  
**HOLDINGS LIMITED** )  
was affixed hereto and signed by )  
in the presence of:- )

*For and on behalf of*  
China Primary Resources Holdings Limited  
中國基礎資源控股有限公司

  
.....  
*Authorized Signature(s)*

**SIGNED, SEALED and DELIVERED** )  
by **MA ZHENG** )  
in the presence of:- )

