

**DATED 13 July 2017**

**WINTO GROUP (HOLDINGS) LIMITED**  
**惠陶集團(控股)有限公司**  
**(as the Company)**

**AND**

**TANG YAU SING**  
**鄧有聲**  
**(as the Executive)**

---

**SERVICE AGREEMENT**

---

## INDEX

### Page

Parties..... 1

Recitals..... 1

### Clause No.

1.	Interpretation .....	1
2.	Appointment .....	3
3.	Duties .....	3
4.	Outside Interests .....	4
5.	Remuneration and Expenses .....	5
6.	Sick Leave Entitlements .....	7
7.	Retirement Fund Scheme Participation .....	7
8.	Holidays.....	7
9.	Confidentiality .....	7
10.	Copyright and Inventions .....	8
11.	Restrictive Covenants.....	9
12.	Share Dealings.....	12
13.	Termination .....	12
14.	Effect of Termination .....	14
15.	Indemnity .....	14
16.	Effect of Reconstruction.....	15
17.	Entire Agreement .....	15
18.	Prior Agreements.....	15
19.	Service of Notice .....	15
20.	Assignment .....	16
21.	Proper Law and Forum.....	16

EXECUTION..... 17

**THIS AGREEMENT** is made on

**BETWEEN**

- (1) **WINTO GROUP (HOLDINGS) LIMITED** 惠陶集團(控股)有限公司, a company incorporated under the Companies Law (Law 3 of 1961, as consolidated and revised) of the Cayman Islands having its registered office at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its head office and principal place of business in Hong Kong at Room 1001, 10<sup>th</sup> Floor, Grandmark, 10 Granville Road, Tsim Sha Tsui, Kowloon, Hong Kong (the “**Company**”); and
- (2) **TANG YAU SING** 鄧有聲 (holder of HKID No.: E855683(4)), of Room B 10/F, Azura, 2A Seymour Road, Mid-level, Hong Kong (the “**Executive**”).

**WHEREAS**

The Company has agreed to employ the Executive and the Executive has agreed to serve the Company as an executive director of the Company on the terms and conditions set out below.

**NOW IT IS AGREED AS FOLLOWS:**

**1. INTERPRETATION**

1.1 In this Agreement, unless the context otherwise requires:

- |                               |  |
|-------------------------------|--|
| <b>“Appointment”</b>          | means the appointment of the Executive as an executive director of the Company pursuant to Clause 2; |
| <b>“Associate(s)”</b>         | shall have the meaning ascribed thereto under the Listing Rules;                                     |
| <b>“Board”</b>                | means the board of directors of the Company from time to time;                                       |
| <b>“Companies Ordinance”</b>  | means the Companies Ordinance, Chapter 622 of the Laws of Hong Kong;                                 |
| <b>“Employment Ordinance”</b> | means the Employment Ordinance, Chapter 57 of the Laws of Hong Kong;                                 |
| <b>“Group”</b>                | means the Company and any company which is for the time being a subsidiary of the Company;           |
| <b>“Hong Kong”</b>            | means The Hong Kong Special Administrative Region of the PRC;  |

<b>“GEM”</b>	the Growth Enterprise Market of the Stock Exchange
<b>“GEM Listing Rules”</b>	means the Rules Governing the Listing of Securities on the GEM;
<b>“month”</b>	means calendar month;
<b>“PRC”</b>	means The People’s Republic of China which for the purpose of this Agreement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
<b>“Salary”</b>	means the salary payable to the Executive pursuant to Clause 5.1;
<b>“Stock Exchange”</b>	means The Stock Exchange of Hong Kong Limited;
<b>“subsidiary”</b>	shall have the meaning ascribed thereto in section 15 of the Companies Ordinance;
<b>“Term”</b>	means the period from the Commencement Date until its expiry or termination pursuant to Clause 2 or 13;
<b>“this Agreement”</b>	means this Agreement as may from time to time be amended, modified or supplemented pursuant to Clause 17.2;
<b>“working day”</b>	means Monday to Friday, in each case except where such day falls on a statutory holiday; and
<b>“HK\$”</b>	means Hong Kong dollars, the lawful currency of Hong Kong.

1.2 In this Agreement:

- (a) references to Clauses and Sub-clauses in this Agreement are respectively to clauses and sub-clauses of this Agreement;
- (b) reference to any ordinance, regulation or other statutory provision includes reference to such ordinance, regulation or provision as may be modified, consolidated or re-enacted from time to time;
- (c) unless the context otherwise requires, words denoting a singular number include the plural and vice versa, words denoting one gender include both genders and the neuter and words denoting a person include a corporation, sole proprietorship, firm, joint venture or syndicate and, in each case, vice versa; and
- (d) the rule known as ejusdem generis shall not apply, so that words and phrases in general terms following or followed by specific examples shall be construed in

the widest possible sense and shall not be construed as limited or related to the examples given.

1.3 The headings in this Agreement are for ease of reference only and do not form part of this Agreement.

## **2. APPOINTMENT**

2.1 Subject to the terms set out in this Agreement, the Company appoints the Executive and the Executive accepts his/her appointment as an executive director of the Company with the duties described in Clause 3 for an initial term of three years from the Commencement Date expiring at the end of the initial term or at any time thereafter, unless terminated by not less than three months' notice in writing served by either party or by the payment of the equivalent of three (3) months' Salary in lieu of such notice by either party and subject to the rotation as required under the articles of association of the Company, the GEM Listing Rules and/or other applicable rules and Clause 13.

2.2 For the purposes only of section 6(2)(c) of the Employment Ordinance, and subject to Clause 13.2, the "agreed period" during the initial term and any renewed term of the Executive's appointment hereunder shall be three months, and, where such unexpired period comprises seven days or less, seven days.

2.3 The Executive represents and warrants that he is fully capable of and not bound by or subject to any court order, agreement, arrangement or undertaking which in any way restricts or prohibits him from entering into this Agreement or from performing all of his obligations and duties hereunder and he is not aware of any reason which may render him unsuitable to act as an executive director of the Company as at the date of this Agreement.

## **3. DUTIES**

3.1 The Executive shall during the Term:

- (a) serve the Company in the capacity of an executive director of the Company with such executive and management responsibilities and duties with regard to the operations of the Group and the development and expansion of its business as the Board may reasonably direct;
- (b) unless prevented by ill health or engaged in businesses or offices in which the Executive is permitted to engage under Clause 4, devote a substantial part of his/her time, attention and abilities during normal business hours and such additional hours as may reasonably be required to administer, supervise and manage the business of the Group and use his/her best endeavours to promote the business interests and welfare of the Group and manage and supervise the business of the Group;
- (c) faithfully and diligently perform all such duties as shall be reasonably required by the Board and carry out all lawful and reasonable instructions of the Board

according to the best of his/her skill and ability and in compliance with all resolutions and regulations from time to time passed or made by the Board;

- (d) at all times keep the Board promptly and fully informed of all matters relating to or in connection with the performance and exercise of his/her duties and powers under this Agreement; and
- (e) perform all duties required to be performed by him as an executive director of the Company as set out in the articles of association of the Company.

3.2 The Executive shall, if and so long as he/she is required by the Company and in consideration of the Salary, carry out the duties of his/her office on behalf of any member of the Group, act as director, officer or employee of any member of the Group and carry out such duties attendant on any such appointment as if they were duties to be performed by him on behalf of the Company under this Agreement and, if so required by the Company, enter into such secondment agreement for such purpose with other members of the Group on the same terms as this Agreement mutatis mutandis (so far as applicable and save as regards all entitlements to the Salary or other benefits whatsoever, which shall not apply).

3.3 The Company may from time to time and at any time assign any title to the Executive and any other duties to the Executive in addition to or in substitution of any title then held by the Executive (including, for the avoidance of doubt, that of a director of any member of the Group) and the duties (if any) then assigned to him/her.

3.4 The Executive shall work in any place in Hong Kong or any part of the world which the Board may from time to time require for the proper performance and exercise of his/her duties and powers under this Agreement.

3.5 The Executive shall comply with or shall exercise his/her best endeavours to procure the Company's compliance with the GEM Listing Rules, the Hong Kong Codes on Takeovers and Mergers and Share Repurchases, the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the memorandum and articles of association of the Company, and all applicable law, rules, instructions, regulations, guidelines and practice notes which are binding on or applicable to the Group or the Executive including, without prejudice to the generality of the foregoing, the listing agreement entered into between the Company and the Stock Exchange, Code of Best Practice, Model Code for Securities Transactions by Directors of Listed Companies for the time being in force and the Executive's undertaking to the Stock Exchange.

#### **4. OUTSIDE INTERESTS**

4.1 Subject to Clauses 4.2 and 4.4, the Executive shall not at any time during the Term without the prior written consent of the Board be or become a director of any company (other than the Company or any other member of the Group) or be engaged concerned or interested directly or indirectly in any other business, trade or occupation.

4.2 Nothing in this Agreement shall prevent the Executive from:

- (a) subject to Clause 4.4, being engaged, concerned or interested in any other business, trade or occupation with the prior written consent of the Board (such consent shall not be unreasonably withheld); or
- (b) subject to Clause 11.6(a), holding or being beneficially interested in any class of securities in any company if such class of securities is listed on a stock exchange.

4.3 The following provisions shall apply in relation to any application for consent under Clause 4.2(a):

- (a) the Executive shall furnish the Board with a detailed statement of the exact nature of the business, trade or occupation in which he/she wishes to engage, the exact nature of the duties and obligations imposed on and the extent of commitment required of or to be assumed by him/her and the amount of time that he/she intends to devote and is likely to be devoted for such purpose and such other documents or information as the Board may require from time to time;
- (b) if the Board is reasonably satisfied that the nature of the business, trade or occupation in which the Executive wishes to engage is unlikely to compete with and that the time likely to be devoted by the Executive for such business, trade or occupation is unlikely to adversely affect the Executive managing business of the Group, consent shall be given to the Executive for his/her engagement in such business, trade or occupation; and
- (c) the Executive shall (as a condition precedent to such consent) furnish the Board with an undertaking that the matter represented in the statement referred to in Clause 4.3(a) will at all times during the Term remain true and accurate and that he/she will not during the Term act in variance thereof.

4.4 For the avoidance of doubt and without prejudice to Clauses 4.1 and 4.2(a), the Executive shall be entitled to continue to be engaged, concerned or interested in any other business, trade or occupation which he has been so engaged, concerned or interested in prior to the date of this Agreement without obtaining the consent of the Board required under Clause 4.2(a), provided that the Executive has fully and accurately disclosed in writing his other business engagements and interests to the Board before the date of this Agreement.

## **5. REMUNERATION AND EXPENSES**

5.1 In consideration of the performance by the Executive of his/her duties herein contained, the Company shall (subject to Clause 6) during the Term pay to the Executive a Salary at the rate of HK\$910,000 for each year of the Term, subject to such adjustment as the Board may, subject to compliance with the provisions of the articles of association of the Company for the time being in force, determine from time to time in its absolute discretion.

- 5.2 The Salary shall be payable in the amount of HK\$70,000 for each month (except that the Salary for December of each year shall be in the amount of HK\$140,000) during each year of the Term on or before the seventh day of the immediately following month or, if that is not a bank business day, on the immediately preceding bank business day. Such payment date may be varied by the Company from time to time but in any event the Salary for a particular month shall not be paid later than the seventh day of the immediately following month.
- 5.3 The amount of the Salary will not be increased for period prior to 31 December 2017 but will be reviewed by the remuneration committee of the Company (the “**Remuneration Committee**”) in or around December each year during the Term. Salary of the Executive shall be decided by the Remuneration Committee and approved by a majority in number of the members of the Board provided that the Executive shall abstain from voting and not be counted in the quorum in respect of the resolution regarding the remuneration in relation to himself/herself. Any increase in Salary shall, unless specified by the Board, become effective for all periods after 31 December of the year in which it is notified to the Executive.
- 5.4 The Executive may be entitled to a discretionary bonus in respect of each financial year of the Company in an amount to be determined by the Remuneration Committee and approved by the Board in its absolute discretion. Payment of such bonus shall be made on such date as the Board may resolve. The Executive may not vote on any resolution of the Board regarding the amount of the bonus payable to the executive directors of the Company.
- 5.5 The Executive may, at the discretion of the Board, be granted share options entitling the Executive to subscribe for shares in the capital of Company under any share option scheme from time to time adopted by the Company.
- 5.6 The Company shall reimburse the Executive of all reasonable out-of-pocket expenses properly incurred by the Executive in connection with the performance of the duties of the Executive under this Agreement, in each case subject to such expenses being evidenced and vouched for in such manner as the Board may reasonably require.

The following arrangements shall apply whenever the Executive is required to travel outside Hong Kong in the performance of his/her duties under this Agreement:

- (a) ordinary class travel tickets shall be provided to the Executive for all cross-border travels;
- (b) full reimbursement shall be made to the Executive for meal expenses reasonably incurred by him;
- (c) full reimbursement shall be made to the Executive for all travelling expenses reasonably incurred by him;



(d) accommodation at international class hotels shall be provided to the Executive; and if ordinary class travel or international class hotel accommodation is unavailable to or at the city to which the Executive is required to travel, the business class of travel and accommodation available shall be provided to the Executive.

**6. SICK LEAVE ENTITLEMENTS**

The Executive shall be entitled to his/her full Salary during any period of absence due to ill-health or sickness properly vouched for in accordance with the reasonable requirements of the Board provided that the aggregate period of absence in any 12 month period does not exceed 24 working days.

**7. RETIREMENT FUND SCHEME PARTICIPATION**

- 7.1 The Executive shall be entitled during the Term to participate in and the Company shall procure that the Executive is offered participation in the Company's retirement or provident fund scheme (if any, and/or such other scheme as the same may from time to time be supplemental thereto or for the replacement thereof). The terms on which participation in such scheme (and/or such other scheme as aforesaid) shall be offered to the Executive shall be the same as those applicable to other employees of the Group.
- 7.2 For the purpose of section 32 of the Employment Ordinance, it is agreed that the Company may deduct from the Salary the amount of any contribution payable by the Executive under the scheme in which the Executive may elect to participate.

**8. HOLIDAYS**

- 8.1 The Executive shall during the Term be entitled to paid leave of 15 working days (in addition to the usual public holidays) for every consecutive period of 12 months, which shall be taken by the Executive at such time or times as shall be mutually convenient to the Executive and the Company.
- 8.2 For the purposes of the Employment Ordinance, the "leave period" of the Executive shall end on 31 December of each year.
- 8.3 For the avoidance of doubt, increment of the annual leave shall be given to the Executive in accordance with the requirements of the Employment Ordinance. In case there is difference between the number of holidays entitled hereunder and other service agreement entered into between the Group and the Executive, such other service agreement shall prevail and the number of holidays that the Executive is entitled to thereunder shall automatically apply in this Agreement.

**9. CONFIDENTIALITY**

The Executive shall not and shall procure his/her Associates not to, either at any time during or after the Term use, divulge or communicate to or cause or enable any third party (other than any officer or employee of any member of the Group whose province

it is to know the same) to become aware of or use, take away, conceal, destroy or retain for his/her own or some other person's advantage or to the detriment of any member of the Group any secret, confidential or other information, including but not limited to any of the technological knowhow or information used or applied or which may be used or applied by the Group in relation to its business or potential business or which the Group has obtained from any third party on terms that restrict its disclosure or use, other confidential technical information, any of the trade secrets, clients' list, accounts, financial or trading information or other confidential or personal information which the Executive may receive or obtain in relation to the business, finances, dealings or affairs of any member of the Group or any principal, joint venture partner, contracting party or client of the Group including any information regarding the products, services, research programme, projects or other technical data, knowhow or specifications, whether in human or machine readable form and whether stored electronically or otherwise, or the finances, proposals, contractual arrangements, principals, joint venture partners, contracting parties, clients, employees or agents of any member of the Group, provided that the provisions of this Clause shall not apply to any information or material which is in the public domain other than as a result of any unauthorised disclosure.

## 10. COPYRIGHT AND INVENTIONS

- 10.1 In consideration of the Salary payable to the Executive under this Agreement, the Executive acknowledges that all rights of copyright, design, trade and service marks which result from or are suggested by anything arising in the course of or in connection with his/her employment under this Agreement (in particular but without limitation rights to all concepts, designs, drawings, sketches, schemes, models and specifications, whether in human or machine readable form and whether stored electronically or otherwise) shall belong absolutely to the Group and the Executive hereby assigns the same to the Group by way of present and future assignment to hold the same unto the Group absolutely throughout all countries and places of the world.
- 10.2 If at any time during the Term, the Executive shall either alone or jointly make, discover or acquire any business concept or idea, invention, discovery, design, copyright work, development, improvement, process and secret whatsoever or any interest therein (whether the subject of letters patent or not) which shall relate to or concern any of the services, products or methods of conducting business or the production of any matter whatsoever of or by any member of the Group or any of the clients of the Group (hereafter together referred to as an "**Invention**") or if details of any Invention shall be communicated to the Executive by any other employee of any member of the Group, then:
- (a) the Executive shall forthwith in writing communicate full details thereof including all necessary plans and models to the Board or as the Board may direct;
  - (b) any Invention made or discovered by the Executive or his/her share therein if made or discovered jointly shall belong to and be the absolute property of the relevant member of the Group;

- (c) at the request of the relevant member of the Group and both during the Term and after its expiry or termination the Executive shall at the expense of that member of the Group or its nominee as part of his/her duties under this Agreement join with and assist that member of the Group or its nominee in obtaining and/or renewing letters patent, copyright, design and/or trade or service mark registration or other like protection in such countries as the Board may direct for any Invention and shall execute such deeds and documents and carry out such acts as may be necessary for vesting in that member of the Group or its nominee as the case may be the sole beneficial right in any Invention; and
- (d) none of the members of the Group shall be under any liability to account to the Executive for any revenue or profit derived or resulting from any Invention.

10.3 The Executive hereby irrevocably and by way of security appoints each director of each member of the Group from time to time to be his/her attorney and in his/her name and on his/her behalf to do and execute any such act or instrument as may be necessary for the purpose of implementing the provisions of this Clause 10. The Executive agrees to confirm and ratify all such acts and instruments.

## 11. RESTRICTIVE COVENANTS

11.1 The Executive covenants with and undertakes to the Company that he/she shall not and that he/she will procure that none of his/her Associates will:

- (a) at any time during the Term or within 12 months from the date of the expiry or the sooner determination of the Term in Hong Kong either alone or jointly with or as manager or agent for any person, firm or company directly or indirectly and whether or not for gain:
  - (i) engage, employ or solicit for employment by any person whether directly or indirectly in any business any employee, former employee, agent or former agent of any member of the Group (save and except former employees whose employment with the Group has been terminated for a period of not less than 12 months prior to their engagement by the Executive);
  - (ii) be interested in any project or proposal on behalf or for the benefit of any person who within 12 months prior to the expiry or sooner determination of the Term is a principal, joint venture partner, contracting party or client or a potential principal, joint venture partner, contracting party or client of the Group or an Associate of any of the foregoing and, for this purpose, a potential principal, joint venture partner, contracting party or client is any person to whom the Group has made a proposal or presentation with a view to securing appointment as a consultant or the provision of services of the Group, co-operation for a business venture or undertaking, the entering into any material contract for the development of the Group's business or instructions for an assignment;

- (iii) be interested in any project or proposal for the acquisition, turning to account, development of or investment in:
  - (aa) any business or asset in which any member of the Group was during the Term considering to acquire, turn to account, develop or invest, unless the Group shall have decided against such acquisition, turning to account, development or investment or invited the Executive or his/her Associates in writing to participate in, or consented in writing to the Executive or his/her Associates' acquisition, turning to account or development of or investment in, such business or asset; or
  - (bb) any asset of any member of the Group, unless such asset is offered by the relevant member of the Group for sale to, turning to account or development by third parties; and
- (iv) be engaged or interested in or concerned with any business of publication and marketing of Chinese-languages magazines and the sales of advertising spaces in those magazines primarily in Hong Kong or any other ancillary businesses thereto carried on from time to time by any member of the Group during the Term;
- (b) at any time after the expiry of the Term or its sooner determination use for any purpose whatsoever the name or trading style of any member of the Group in Hong Kong or any other part of the world or represent himself/herself or themselves as carrying on or continuing or being connected with any member of the Group or (where applicable) any of its shareholders or their respective business.

11.2 Since the Executive has obtained and is likely to obtain in the course of his/her employment hereunder Trade Secrets and other Confidential Information and since the Executive has and is likely to obtain during the course of his/her employment hereunder personal knowledge and influence over principals, joint venture partners, contracting parties, clients, staff, officers and agents of the Group, the Executive hereby agrees with the Company that in addition to the restriction contained in Clause 9 he/she will and will procure his/her Associates not to, either at any time during or for a period of two years after the expiry of the Term or its sooner determination, use either on his/her own account or for others or partly for himself/herself and partly for others or to the detriment of any member of the Group such Trade Secrets or other Confidential Information, save in each case with the prior written consent of the Company.

11.3 The Company hereby covenants with and undertakes in favour of the Executive that neither it nor any member of the Group will after the expiry of the Term or its sooner determination use the Executive's name or represent that the Executive is carrying on or continuing to be or being connected with any member of the Group or their businesses whether in Hong Kong or elsewhere.

11.4 For the purposes of Clause 11.1:

- (a) “**employee**” includes any staff of any of the sub-contractors of any member of the Group or any successors thereof; and
- (b) “**assets**” include intellectual property rights and know-how of all forms and descriptions that are related to any of the principal businesses carried on from time to time by any member of the Group during the Term and all licences and rights to use or apply any such rights or know-how.

11.5 For the purposes of Clause 11.2:

- (a) “**Trade Secrets**” means trade secrets including knowledge of and know-how in connection with the Group or any of its businesses or proposed products or businesses and which are so confidential as to require protection as trade secrets; and
- (b) “**other Confidential Information**” means:
  - (i) any information imparted to the Executive on the express basis that it is confidential; and
  - (ii) any other information or knowledge received or obtained by the Executive which if used, divulged or communicated to any person other than in accordance with Clause 9 would have infringed the restriction in that Clause.

11.6 Nothing in this Clause 11 (other than Clauses 11.2 and 11.7) shall apply to:

- (a) the direct or indirect holding of any securities listed on a stock exchange where the total voting rights exercisable at general meetings of the company concerned as represented by such holding do not exceed 5 per cent. of the total voting rights attaching to the securities of the same class as that held by the Executive and/or his/her Associates, provided that neither the Executive nor any of his/her Associates participates in or are otherwise involved in the management of the company; or
- (b) the holding by the Executive or any of his/her Associates of any securities of the Company or its holding company.

11.7 The Executive warrants to and in favour of the Company that save through his/her interests and the interests of his/her Associates in the Company or his/her employment by the Company pursuant to this Agreement, neither he/she nor any of his/her Associates on the date of this Agreement engages or is interested in or is concerned with in Hong Kong any of the specific businesses referred to in Clause 11.1(a)(iv). The warranty contained in this Clause shall be deemed repeated by the Executive every day during the Term.

- 11.8 While the restrictions contained in this Clause 11 are considered by the parties to be reasonable in all the circumstances it is agreed that if any one or more of such restrictions shall either taken by itself or themselves together be adjudged to go beyond what is reasonable in all the circumstances for the protection of the legitimate business of the Group but would be adjudged reasonable if any particular restriction or restrictions were deleted or if any part or parts of the wording thereof were deleted, restricted or limited in a particular manner, then the restriction contained in this Clause 11 shall apply with such deletion, restriction or limitation as the case may be.
- 11.9 In the event of and notwithstanding the expiry of the Term or its sooner determination, each of the parties covenants with and undertakes to the other that it or he/she will at all times and in all respects continue to observe and comply with the provisions of this Clause 11 during the periods stipulated in this Agreement.

## 12. SHARE DEALINGS

The Executive shall comply where relevant with every rule of law, every regulation of the Stock Exchange or other market on which he/she deals and every regulation and the articles of association of the Company in force for the time being in relation to dealings in shares, debentures or other securities of any member of the Group and in relation to unpublished price-sensitive information affecting the shares, debentures or other securities of any member of the Group provided always that in relation to overseas dealings the Executive shall also comply with all laws of the state and all regulations of the stock exchange, market or dealing system in which such dealings take place.

## 13. TERMINATION

- 13.1 The Company may forthwith terminate the appointment of the Executive under this Agreement prior to the expiry of the Term by service of a notice in writing to such effect to the Executive if:
- (a) the Executive shall be disqualified to act as a director of any member of the Group under any applicable law (including the Companies Ordinance) or rules of any stock exchange including the Stock Exchange;
  - (b) the Executive shall be guilty of any dishonesty, gross misconduct or wilful neglect in the discharge of duty or shall commit any continued material breach of the terms of this Agreement after written warning (other than a breach capable of remedy which is remedied by the Executive to the satisfaction of the Board within 30 days upon his/her being called upon to do so in writing by the Board);
  - (c) the Executive shall be guilty of conduct likely to bring himself/herself or any member of the Group into disrepute;
  - (d) the Executive shall become bankrupt or make any arrangement or composition with his/her creditors generally or has a receiving order made against him;

- (e) any company (other than any member of the Group) in which the Executive is a director or a direct or indirect shareholder goes into liquidation or becomes insolvent or suffers the presentation of a winding-up petition or analogous proceedings brought against it;
- (f) the Executive is convicted of any criminal offence (other than traffic offences and offences which in the reasonable opinion of the Board do not affect his/her integrity or honesty);
- (g) the Executive persistently refuses to carry out any reasonable lawful order given to him in the course of his/her employment or persistently fails diligently to attend to his/her duties hereunder;
- (h) the Executive shall during the Term be absent (other than during periods of holiday) for an aggregate period of 120 working days;
- (i) there is any material or persistent deviation by the Executive from any matter or circumstances represented by him in the statement referred to in Clause 4.3(a); or
- (j) the Executive is in material breach of any of the terms of the undertaking referred to in Clause 4.3(c); or
- (k) the Executive becomes a lunatic or of unsound mind or become a patient for any purpose of any statute relating to mental health;
- (l) the Executive becomes permanently incapacitated by illness or other like causes so as to prevent the Executive from performing his/her duties and obligations hereunder; or
- (m) the Executive is convicted of any offence or be identified as an insider dealer under any statutory enactment or regulations relating to insider dealing in force from time to time.

For the avoidance of doubt, the Appointment under this Agreement shall terminate automatically in the event of his/her ceasing to be a director of the Company for whatever reason whether by reason of his/her not being re-elected as a director of the Company at any general meeting at which he/she is to retire by rotation or otherwise or by virtue of a resolution passed by the members of the Company in general meeting to remove him/her as a director or otherwise.

13.2 The Company may, if it is advised that it is not entitled under the Employment Ordinance to terminate this Agreement by immediate notice pursuant to Clause 13.1, terminate this Agreement upon the occurrence of any of the events specified in that Clause by seven days' notice in writing served on the Executive and, in such event, the "agreed period" for the purpose of section 6(2)(c) of the Employment Ordinance shall be seven days.

13.3 The Executive shall have no claim against the Company for damages or otherwise by reason of termination under this Clause 13 and no delay or forbearance by the Company in exercising any such right of termination shall constitute a waiver of that right.

#### **14. EFFECT OF TERMINATION**

14.1 All documents, records, correspondence, client lists, accounts, statistics, equipment or other property relating to the businesses or affairs of any member of the Group (including all those items referred to in Clause 9) kept in the possession or under the control of the Executive and all copies thereof or extracts therefrom made by or on behalf of the Executive shall be and remain the property of the relevant member of the Group and shall be delivered up to the Company upon the expiry of the Term or its sooner determination.

14.2 If the Executive is at any time appointed a director of any member of the Group, he/she shall on or after the expiry of the Term or its sooner determination resign in writing from any office held by him as such director and from all other offices held by him with any member of the Group and to execute an acknowledgment under seal to the effect that he/she has no claims against the Company or any other member of the Group (as the case may be) for compensation for loss of office, remuneration, severance payments or otherwise.

14.3 The Executive shall upon the expiry of Term or its sooner determination transfer, without payment and in such manner as the Company may require, all such shares in any of the Company's subsidiaries or associated companies as are held by him as nominee for any member of the Group.

14.4 In the event of the Executive failing to take any of the actions required to be taken by him under Clauses 14.2 or 14.3 forthwith on request by the Company, the Company is hereby irrevocably and by way of security appointed the attorney of the Executive to appoint such person in the name of and on behalf of the Executive to sign, seal and deliver resignations to the relevant member of the Group and instruments of transfers of the relevant shares and to file such returns or take such other action as may be necessary or desirable under the Companies Law of the Cayman Islands (as amended and/or consolidated from time to time), the Companies Ordinance, the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong) and other applicable legislation. The Executive agrees to confirm and ratify such documents and acts.

14.5 Termination for whatever reason shall not relieve the parties of their obligations arising or accrued prior to the termination of the Appointment or of obligations which expressly or by necessary implication continue after termination of the Appointment.

#### **15. INDEMNITY**

15.1 The Company agrees to indemnify and hold harmless the Executive on demand from and against any and all reasonable losses, claims, damages, liabilities, and expenses, including without limitation, any proceedings brought against the Executive, arising from the proper performance of his/her duties pursuant to or his/her appointment under



this Agreement, so far as permitted by law, except in any case where the matter in respect of which indemnification is sought under this Clause was caused by the default or neglect of the Executive.

- 15.2 The Company shall if so required by the Executive during the Term take out and maintain for the benefit of the Executive an insurance policy against director's liability for such an amount and on such terms as to cover as the parties may reasonably agree, provided that the Company shall not be required to expend more than HK\$100,000 per annum in payment of premiums on such policy.

**16. EFFECT OF RECONSTRUCTION**

The Executive acknowledges that if before the expiration of the Term, this Agreement is terminated by reason of the liquidation of the Company or the transfer of its business to another company for the purposes of reconstruction or amalgamation and he/she is offered employment with any concern or undertaking resulting from such reconstruction or amalgamation on terms and conditions which are both in form and substance no less favourable taken as a whole than the provisions of this Agreement, he/she will have no claim against the Company in respect of such termination, provided that there is no change of business or control resulting from such reconstruction or amalgamation, otherwise the Executive shall be entitled to terminate this Agreement, but neither the Company nor the Executive shall have any claim in respect of such termination.

**17. ENTIRE AGREEMENT**

- 17.1 This Agreement embodies all the terms and provisions of and relating to the employment of the Executive by the Company and/or by any member of the Group.
- 17.2 The terms of this Agreement may only be varied in writing by the parties hereto or their duly authorised agents.

**18. PRIOR AGREEMENTS**

This Agreement is in addition to and shall not supersede all former and existing agreements or arrangements made orally or in writing for the employment of the Executive by any member of the Group, which shall remain valid and effective on or after the date of this Agreement.

**19. SERVICE OF NOTICE**

- 19.1 Any notice, claim, demand, court process or other communication under this Agreement (collectively "**communication**" in this Clause 19) shall be in the English language or the Chinese language and may be served or given personally or sent to the address or facsimile numbers (if any) stated after the relevant party's name at the beginning of this Agreement or to such other address (which must be in Hong Kong) or facsimile numbers as may from time to time be notified in writing by one party to the other with specific reference to this Agreement, by the following means and the

addressee of such communication shall be deemed to have received the same within the time stated adjacent to the relevant means of despatch:

<u>Means of despatch</u>	<u>Time of deemed receipt</u>
Local mail or courier	24 hours
Facsimile	on despatch
Air courier/Speedpost	3 days
Airmail	5 days

- 19.2 A communication served in accordance with Clause 19.1 shall be deemed sufficiently served and in proving service and/or receipt of a communication it shall be sufficient to prove that such communication was left at the addressee's address or that the envelope containing such communication was properly addressed and posted or despatched to the addressee's address or that the communication was properly transmitted by facsimile to the addressee. In the case of facsimile transmission, such transmission shall be deemed properly transmitted on receipt of a satisfactory report of transmission printed out by the sending machine.
- 19.3 Nothing in this Clause 19 shall preclude the service of communication or the proof of such service by any mode permitted by law.

## **20. ASSIGNMENT**

Save as provided under Clause 3.2, none of the rights or duties of the Company or the Executive under this Agreement may be assigned, transferred, sub-contracted or delegated.

## **21. PROPER LAW AND FORUM**

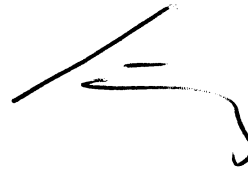
This Agreement shall in all respects be interpreted and construed in accordance with and governed by Hong Kong law and each of the parties hereto hereby irrevocably submits to the non-exclusive jurisdiction of the Hong Kong courts and waives all defences to any action arising hereunder brought in the courts of Hong Kong on the ground that such action is brought in an inconvenient forum.

IN WITNESS whereof the parties hereto entered into this Agreement the day and year first above written.

SIGNED for and on behalf of )  
WINTO GROUP (HOLDINGS) LIMITED )  
惠陶集團(控股)有限公司 )  
by )  
one of its directors, LAW SHIU WAH )  
in the presence of : )



SIGNED, SEALED and DELIVERED by )  
TANG YAU SING 鄧有聲 )  
in the presence of : )



Yam Chun Fai  
Solicitor, HKSAR  
Messrs. KCL & Partners