

Dated 27 June 2019

PANDA GREEN ENERGY GROUP LIMITED
熊貓綠色能源集團有限公司

and

WANG HENG

SERVICE AGREEMENT

THIS AGREEMENT is made the 27th day of June 2019

BETWEEN:

- (1) **PANDA GREEN ENERGY GROUP LIMITED** 熊貓綠色能源集團 有限公司, a company incorporated in Bermuda with limited liability whose registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and whose principal place of business in Hong Kong is at Unit 1012, 10th Floor, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong (the “**Company**”); and
- (2) **WANG HENG**, holder of Chinese Passport No.: EE0803328, of Room 1204, Building 3, No. 1 Yinchuan East Road, Laoshan District, Qingdao, Shandong, China (the “**Director**”).

WHEREAS the Company and the Director have agreed to enter into this Agreement to set out the services which the Director shall provide to the Group (as defined below) as hereinafter described on the terms and conditions set out below.

IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

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

“Agreement”	this service agreement;
“Associate(s)”	has the meaning ascribed thereto in the Listing Rules;
“Board”	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;
“Business”	all the business and affairs carried out by the Group from time to time;
“business day”	a day (excluding public holidays, Saturday, Sunday and any day on which No.8 signal or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon during a typhoon or on which a black rainstorm warning is issued or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which banks are open for business in Hong Kong;
“Commencement Date”	27 June 2019;

“Confidential Information”	in relation to businesses 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, 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;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“Memorandum and Bye-laws”	the memorandum of association and bye-laws of the Company, as amended from time to time;
“MPFS Ordinance”	the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong);
“Party”	either party to this Agreement and “Parties” shall be construed accordingly;
“Remuneration Committee”	a committee of the Board which shall comprise of a majority of independent non-executive Directors to oversee matters relating to remuneration of the Directors;
“Share Option Scheme”	the share option scheme adopted by the Company on 19 June 2012;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	has the meaning ascribed thereto in section 2 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);

“Term”	the term of the Agreement as set out in Clause 2 of the Agreement; and
“year”	a 12-month period with the first one commencing from the Commencement Date and thereafter each successive twelve (12) months commencing from the day next following the end of the preceding 12-month period.

- (B) In this Agreement, save where the context otherwise requires:
- (i) the headings used are inserted for convenience only and shall not limit, vary, extend or otherwise affect the construction of any provision of this Agreement;
 - (ii) references to Clauses are references to clauses of this Agreement;
 - (iii) 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;
 - (iv) expressions in the singular shall include the plural and vice versa;
 - (v) expressions in any gender shall include other genders; and
 - (vi) references to persons shall include bodies corporate, corporations, partnerships, sole proprietorships, organisations, associations, enterprises and branches.

2. **THE TERM**

- (A) With effect from the Commencement Date, the Company shall appoint the Director and the Director shall serve the Company as a non-executive director subject to and upon the terms set out below.
- (B) Subject to the provisions for termination set out in Clause 8, the Director shall serve an initial term of 1 year, and his term of appointment is renewable for successive terms of one year commencing from the day immediately after expiry of the initial term, unless and until terminated in accordance with Clause 8, or by either Party giving to the other not less than 1 month’s prior notice in writing at any time during the Term.

3. **DIRECTOR’S DUTIES AND RESPONSIBILITY**

- (A) The Director represents and warrants that he is 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 his duties under this Agreement. The Director hereby undertakes with the Company that during the Term, he shall use his best endeavours to carry out his duties hereunder and to protect, promote and act in the best interests of the Group.
- (B) The Director who was appointed as a non-executive director of the Company shall not undertake any management function, nor have any past or present financial or other

interests in the Business. The Director shall undertake the responsibilities of a non-executive director, as set out in the Listing Rules, the companies laws of the Bermuda and the Memorandum and Bye-laws, and shall comply with all applicable laws and regulations and rules made thereunder, and in particular:

- (i) comply with the applicable provisions of the Listing Rules, the Hong Kong Codes on Takeovers and Mergers and Share Repurchases and other applicable laws and regulations;
 - (ii) perform his fiduciary duties to the Company, bring an objectivity and independence of view borne by his outside experience, help the Board to provide the Company with effective leadership and ensuring the continuing effectiveness of the management team and the high standards of probity within the Company;
 - (iii) attend meetings of the Board and of any committees of the Board which he is or will be appointed as a member. If he is unavoidably unable to attend, as much prior notice as possible should be given to the chairman of the Board;
 - (iv) disclose to the Board all other directorships and other (direct or indirect) interests, employment, consultancies or associations held by him including all interests in the shares required to be disclosed by him under the Securities and Futures Ordinance and all interests in the business which may be competing with the business of the Company and its subsidiaries from time to time. He will also keep the Board informed on a continuing basis of all changes to such arrangements;
 - (v) 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;
 - (vi) faithfully and diligently perform such duties and exercise such powers as are consistent with his office in relation to the Company and the Group; and
 - (vii) undertake to inform the Board if he ceases to qualify, or if he comes to know of any circumstances which may render him no longer qualified as a non-executive director of the Company under the Listing Rules, the Companies Law or the Memorandum and Bye-laws or other applicable rules and registration. If the Board considers that he is no longer qualified as a non-executive director of the Company and inform him thereof, he shall resign as a non-executive director.
- (C) The Director shall carry out his duties and exercise his powers jointly with any other director or executive as shall from time to time be appointed by the Board and the Board may at any time require the Director to cease performing or exercising any of his duties or powers under this Agreement. However, the Board shall be under no obligation to assign to or vest in the Director any powers, duties or functions or to provide any work for the Director and may at any time suspend the Director from, or require the Director to cease, perform or exercise the said or any duties or powers, or exclude him from any premises of the Company either in full or part pay or without payment of compensation

to the extent permitted by law.

- (D) The Director shall comply with the minimum standard of good practice concerning the general management responsibilities of the Board as set out in the Corporate Governance Code and Corporate Governance Report of Appendix 14 to the Listing Rules.
- (E) Nothing in this Agreement shall prevent the Director from (together with his Associates) directly or indirectly holding or being beneficially interested in:
 - (i) any class of securities in the Company or any other member of the Group; or
 - (ii) any class of securities in any other company where the total voting rights exercisable at general meetings of the company concerned attaching to the securities of that class held by the Director and his Associates do not exceed five percent (5%) of the total voting rights attaching to the securities of that class, if such class of securities is listed on a stock exchange and the relevant company does not carry on any business which competes in any way with the Business.

4. REMUNERATION

- (A) In consideration of the performance of his duties hereunder, the Director shall receive during the Term a fixed fee at the annual rate of HK200,000 payable semi-annually on 30 June and 31 December of each year. Such fee shall be reviewed from time to time by the Board or the Remuneration Committee in accordance with the remuneration guideline and policy of the Group adopted by the Remuneration Committee from time to time, provided that the Director shall, and shall procure his Associates (if also a member of the Board and/or the Remuneration Committee) to, abstain from voting and shall not be counted in the quorum at any meeting of the Board or the Remuneration Committee at which the Board or the Remuneration Committee is to determine the amount payable to him pursuant to this Clause 4(A).
- (B) Payment of such fixed fee to the Director referred to in Clause 4(A) above shall be made either by the Company or by another company in the Group.

5. BENEFITS AND EXPENSES

- (A) The Company shall reimburse to the Director all reasonable out-of-pocket expenses (including expenses of entertainment, subsistence and travelling) properly incurred by him in relation to the discharge of his duties to the Group hereunder, which expenses shall be evidenced in such manner as the Board may require.
- (B) The Company shall pay or provide to the Director such additional benefits as the Board shall in its absolute discretion deem appropriate and in accordance with the remuneration guideline and policy of the Group adopted by the Remuneration Committee from time to time.
- (C) The Director shall further be entitled to participate in the Share Option Scheme subject to the rules of such Share Option Scheme that may be in effect from time to time.

6. RETIREMENT FUND SCHEME

- (A) The Director acknowledges that the appointment hereunder is not an employment with the Company and that the Company is not required to arrange for the participation of the Director in the Company's choice of provident fund scheme (if any, and/or such other scheme as the same may from time to time be supplemental thereto or in replacement thereof).
- (B) The Director acknowledges that, only insofar as the MPFS Ordinance is applicable and to the extent required thereunder, the Company shall deduct from the remuneration payable to the Director pursuant to Clause 4(A) the amount of any contribution payable by the Director under the scheme in which the Director participates.

7. SHARE DEALINGS

The Director shall comply where relevant with every rule of law, every regulation of the Stock Exchange, the Hong Kong Securities and Futures Commission or any other regulatory authority or other market on which he or his Associates deals and including but not limited to the minimum standard of dealings as set out in the Listing Rules and every regulation of the Company and the Memorandum and Bye-laws in force in relation to dealings in shares, debentures or other securities of the companies in the Group and in relation to unpublished inside information (as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) affecting the shares, debentures or other securities of any company in the Group, provided always that in relation to overseas dealings, the Director 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.

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 this Agreement without any compensation to the Director:
 - (i) by not less than 1 month's notice in writing given at any time while the Director shall have been incapacitated or prevented by reason of ill health injury or accident from performing his duties hereunder for a period of or periods aggregating 60 days in the preceding twelve (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 any such notice that it may have given; 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 thirty (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 thirty (30) days after written notice from the Board);
- (c) becomes of unsound mind, or is or becomes a patient for any purpose of any ordinance or law relating to mental health;
- (d) becomes bankrupt or subject to bankruptcy, receivership or other similar proceedings or has failed to meet any judgment debt;
- (e) is otherwise prohibited by law from fulfilling his duties hereunder;
- (f) 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); or
- (g) breaches any of the terms of this Agreement,

provided that in any meeting of the Board held to consider whether any notice shall be issued pursuant to this Clause 8(A)(ii), any vote by the Director or his Associates (if also a member of the Board) shall not be taken into account and provided further that upon such termination of the Agreement pursuant to this Clause 8(A)(ii), the Director shall not be entitled to any payment whatsoever (other than any fee actually accrued due and payable pursuant to this Agreement) for or in respect of the then current year of service or to claim any compensation or damages for or in respect of or by reason of such termination.

- (B) Without prejudice to other provisions of this Agreement, if the Director is not re-elected or retires at any general meeting of the Company at which the Director is to retire in accordance with the applicable provisions of the constitution documents of the Company, his appointment hereunder shall forthwith terminate.
- (C) If the Company becomes entitled to terminate the Agreement pursuant to Clause 8(A)(ii), it shall be entitled (but without prejudice to its right subsequently to terminate the Agreement on the same or any other ground) to suspend the Director for so long as it may think fit.
- (D) Upon the termination of the Agreement 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 director of the Company and all offices held by him in any company in the Group;
 - (ii) forthwith deliver to the Company all books, records (whether in electronic format or otherwise), documents, papers, materials, correspondence, accounts, together with copies thereof and other property of or relating to the Group or the Business (whether made or compiled by or delivered to the Director or otherwise) 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 Group in any respect.
- (E) Notwithstanding any provision in this Agreement, the provisions of Clauses 9, 10 and 21 shall continue to apply notwithstanding the termination of this Agreement.
- (F) In the event that the Company shall be prohibited under the law from terminating this Agreement by summary notice upon the occurrence of any of the events specified in Clause 8(A)(ii), the Company may upon the occurrence of any such events terminate this Agreement by giving to the Director seven (7) days' notice in writing.

9. **RESTRAINT ON ACTIVITIES OF THE DIRECTOR**

- (A) Save in respect of:
 - (i) any business which is carried on by the Director prior to the commencement of a similar business by any company in the Group; or
 - (ii) any appointment to any position of responsibility in any business during the Term which does not conflict with the interests of the Group and his responsibilities to the Group,

the Director shall not and shall procure that his Associates shall not during the Term be directly or indirectly engaged in, concerned with or interested in any other business carried on in any country or place where the Group has carried on or is carrying on its business which is in any respect in competition with or similar to the Business, provided that this shall not prohibit the holding (directly or through nominees) of investments listed on any stock exchange as long as not more than five percent (5%) of the issued shares or stock of any class of any one company shall be so held, save that this restriction shall not apply to any holding of shares or stock of any company within the Group.

- (B) The Director hereby agrees that subject to the exceptions provided under Clause 9(A), during the Term and for a period of 6 months after the termination of the Agreement, he will not and will procure that his Associates will not do one or more of the followings:
 - (i) Engage or be engaged in any country or place where the Group has carried on or is carrying on its business, whether directly or indirectly, in any business which is in competition with or similar to the Business, or take employment with any person engaged, concerned or interested in or operating, whether directly or indirectly, such business in any country or place where the Group has carried on or is carrying on its business, or assist any such person with technical, commercial or professional advice in relation to such business.
 - (ii) Either on his own account or for any person, solicit business from any person (including but not limited to any customer or supplier or prospective customer or supplier of the Company or any other company in the Group) who at any time during the Term has dealt with the Company or any other company in the Group or who on the termination of the Agreement is in the process of negotiating with the Company or any such company in the Group in relation to the Business.

- (iii) Directly or indirectly, employ any person who has during the term of the Agreement been a director, officer, manager, agent or servant of or consultant to any company in the Group and who by reason of such employment is or may be likely to be in possession of any Confidential Information relating to the Business or the customers of the Group which, if that person were the Director, would be covered by the confidential restrictions of Clause 10 of this Agreement.
- (iv) Either on his own account or for any person, solicit or entice or endeavour to solicit or entice away from any company within the Group any director, officer, manager, agent or servant of any company in the Group whether or not such person would commit any breach of his contract of employment or services by reason of leaving the service of the relevant company in the Group.

10. CONFIDENTIAL INFORMATION

- (A) The Director shall not at any time during the Term or after the termination of the Agreement 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 during the course of the Term, by reason of services rendered for or offices held in any other company in the Group, 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.

11. REASONABLE RESTRICTIONS

While the restrictions contained in Clauses 9 and 10 are considered by the Parties 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 it is hereby agreed and declared that if any of 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 wording thereof were deleted or the periods (if any) thereof were reduced, such restriction shall apply with such modifications as may be necessary to make it valid and effective.

12. RECONSTRUCTION

If this Agreement is terminated by reason of the liquidation of the Company or the transfer of its business to another one or more companies for the purpose of reconstruction or amalgamation and the Director is requested to provide his services with the restructured entity or any concern or undertaking on terms and conditions no less favourable in all respects than the provisions of this Agreement, the Director shall not have any claim against the Company or its successors-in-title in respect of such termination.

13. AMENDMENTS

This Agreement shall not be amended, supplemented or modified in any manner, save by an instrument in writing signed by the Parties.

14. 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.

15. WAIVER AND OTHER RIGHTS

- (A) No single or partial exercise of, or failure or omission to exercise or delay in exercising any right, power or remedy vested in either Party under or pursuant to this Agreement or otherwise shall constitute a waiver by such Party of such or any other right, power or remedy.
- (B) Any right, power or remedy expressly conferred upon either Party under this Agreement

shall be in addition to and without prejudice to all other rights, powers and remedies which would otherwise be available to such Party under this Agreement or at law.

16. TIME

Time shall be of the essence of this Agreement, both as regards the dates and periods specifically mentioned in this Agreement and as to any date and period which may by written agreement between or on behalf of the Parties be substituted for them.

17. ASSIGNMENT

Subject to Clause 18, this Agreement shall not be capable of being assigned by either Party to any person.

18. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon the Parties and the successors and permitted assigns of the Company, and shall endure to the benefit of, and be enforceable by, the Parties and the successors and permitted assigns of the Company.

19. NOTICE

(A) Any notice, demand or other communication to be given by either Party to the other Party under this Agreement shall be in writing, and shall be deemed duly served if:

- (i) delivered personally;
- (ii) sent by prepaid registered post; or
- (iii) sent by facsimile transmission,

to the address or facsimile number (as the case may be) of such other Party previously in writing notified (in accordance with the provisions of this Agreement and stating in clear terms the intention to change the address or facsimile number, as the case may be) to the Party serving the same.

(B) A notice, demand or other communication shall be deemed served:

- (i) if delivered personally, at the time of delivery;
- (ii) if sent by post, at the expiration of two business days after the envelope containing the same has been delivered into the custody of the postal authorities; and
- (iii) if sent by facsimile transmission, upon receipt by the Party giving the same of machine printed confirmation of such transmission.

(C) In proving the service of any notice, demand or other communication, it shall be sufficient to prove that:

- (i) in the case of personal delivery, the same has been delivered or left at the address of the Party to be served on;

- (ii) in the case of a letter, the envelope containing the same has been properly addressed, delivered into the custody of the postal authorities and duly stamped; and
- (iii) in the case of a facsimile transmission, the same has been duly transmitted to the facsimile number of the Party to be served on.

20. COUNTERPARTS

This Agreement may be executed in any number of counterparts and by either Party on separate counterparts, each of which when so executed and delivered shall be an original, but all the counterparts together shall constitute one and the same instrument.

21. 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 hereby irrevocably agree to submit to the non-exclusive jurisdiction of the courts of Hong Kong.

IN WITNESS whereof this Agreement has been duly executed the day and year first above written.

Execution page

SIGNED by)
for and on behalf of)
PANDA GREEN ENERGY GROUP)
LIMITED)
in the presence of:)

SIGNED by)
WANG HENG)
in the presence of:)

王 行)