

DEFINITIONS

In this prospectus, unless the context otherwise requires, the following expressions have the meanings set out below. Certain other terms are explained in the section headed "Glossary" in this prospectus.

"Anhui BVI"	Enric Anhui Investment Limited, an investment holding company incorporated in BVI with limited liability on 29 April 2002 and is wholly owned by EIGL
"Articles"	the articles of association of the Company
"ASME"	the American Society of Mechanical Engineers
"associate(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Bengbu Acquisition Agreement"	the acquisition agreement entered into between, among others, XGII and the People's Government of Bengbu, Anhui province regarding the acquisition of certain assets of Bengbu Compressor in March 2002
"Bengbu Compressor"	Bengbu Compressor General Factory in China* (蚌埠壓縮機總廠), the predecessor company to the business of Enric Compressor and a state-owned enterprise which was established in the PRC in 1950
"Board"	the board of Directors
"Business Day"	any day (other than a Saturday) on which banks in Hong Kong are generally open for business
"BVI"	the British Virgin Islands
"Capitalisation Issue"	the conditional issue of Shares to be made to XGII and Symbiospartners upon the capitalisation of cash advances due by the Company to XGII as referred to in the section headed "Written resolutions of the Shareholder(s) passed on 26 September 2005 and 7 October 2005 respectively" in Appendix VII to this prospectus
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CCIEA"	China Chemical Industrial Equipment Association (中國化工裝備協會)
"CCS"	China Classification Society (中國船級社)

DEFINITIONS

“China” or “PRC”	the People’s Republic of China which, for the purposes of this prospectus, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“China Everbright”	China Everbright Capital or China Everbright Securities as the context so requires
“China Everbright Capital”	China Everbright Capital Limited, a licenced corporation under the SFO for Type 1 regulated activity (dealings in securities), Type 4 regulated activity (advising on securities) and Type 6 regulated activity (corporate finance)
“China Everbright Securities”	China Everbright Securities (HK) Limited, a licenced corporation under the SFO for Type 1 regulated activity (dealing in securities), Type 4 regulated activity (advising on securities), Type 6 regulated activity (advising on corporate finance) and Type 9 regulated activity (asset management)
“CMIF”	China Machinery Industry Federation (中國機械工業聯合會)
“Company”	Enric Energy Equipment Holdings Limited (安瑞科能源裝備控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 28 September 2004 under the Companies Law
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“controlling Shareholder(s)”	XGII, Mr. Wang and Ms. Zhao
“Conversion”	the conversion of the Redeemable Convertible Bonds into Shares in full by Investec pursuant to the Convertible Bond Subscription Agreement
“Convertible Bond Subscription Agreement”	the agreement entered into between EIGL, Investec, the Company, XGII and Symbiospartners on 29 August 2005, pursuant to which Investec was issued the Redeemable Convertible Bonds by EIGL

DEFINITIONS

“Director(s)”	the director(s) of the Company
“DOT”	Department of Transportation of U.S.
“EIA”	Energy Information Administration, a statistical agency of the U.S. Department of Energy. EIA provides energy data, forecast analysis and information on the main energy products, including petroleum, electricity and natural gas etc. Its major periodic releases of integrated information include the Monthly Energy Review, the Annual Energy Review, the Short-Term Energy Outlook, and the Annual Energy Outlook
“EIGL”	Enric Investment Group Limited, an investment holding company incorporated in BVI with limited liability on 1 May 2002 and is wholly owned by the Company
“Enric Compressor”	Enric (Bengbu) Compressor Company Limited* (安瑞科(蚌埠)壓縮機有限公司), which was incorporated with limited liability in the PRC on 14 March 2002, and was converted into a wholly foreign owned enterprise pursuant to the Reorganisation and was wholly owned by Anhui BVI on 8 July 2004 thereafter
“Enric Gas Equipment”	Shijiazhuang Enric Gas Equipment Company Limited* (石家莊安瑞科氣體機械有限公司), a Sino-foreign equity joint venture enterprise with limited liability incorporated in the PRC on 30 September 2003 which was owned as to 70% by Xinao Shijiazhuang and 30% by Shijiazhuang BVI, and was subsequently converted into a wholly foreign owned enterprise pursuant to the Reorganisation and was wholly owned by Shijiazhuang BVI on 16 July 2004 thereafter
“Enric Integration”	Enric (Langfang) Energy Equipment Integration Company Limited* (安瑞科(廊坊)能源裝備集成有限公司), a wholly foreign owned enterprise with limited liability incorporated in the PRC on 28 December 2004, which is wholly owned by Langfang BVI
“Forward Looking Period”	the period from the Latest Practicable Date to 31 December 2007
“GAQSIQ”	the General Administration Bureau of Quality Supervision, Inspection and Quarantine of the PRC (中華人民共和國國家質量監督檢驗檢疫總局)

DEFINITIONS

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“GEM website”	the website of GEM with the domain name of <i>www.hkgem.com</i>
“Group”	the Company and its subsidiaries or where the context otherwise requires, any of the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party” or “Independent Third Parties”	person(s) or company(ies) which is/are independent of any members of the Group, the directors, the chief executives, the Initial Management Shareholders and the substantial shareholders of the Company, its subsidiaries and any of their respective associates
“Initial Management Shareholder(s)”	the initial management shareholder(s) (as defined in the GEM Listing Rules) of the Company, being XGII, Mr. Wang and Ms. Zhao as described in the section headed “Substantial, Initial Management and Significant Shareholders” in this prospectus
“Institutional Investor(s)”	Symbiospartners and Investec, each of them is a Significant Shareholder
“Investec” or “Financial Investor”	Investec Bank (UK) Limited, a company incorporated in the United Kingdom and a wholly owned subsidiary of Investec PLC, is an international investment and private banking group and the shares of which are listed on the London Stock Exchange
“Investec Group”	Investec PLC and its subsidiaries
“Korea”	Republic of Korea
“Langfang BVI”	Enric Langfang Investment Limited, an investment holding company incorporated in BVI with limited liability on 14 September 2004 and is wholly owned by EIGL

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“Langfang Guofu”	Langfang Guofu Investment Company Limited* (廊坊國富投資有限公司), a company incorporated in the PRC with limited liability on 13 January 2000 and is owned as to 90% by Mr. Wang and 10% by Mr. Wang Baozhong, Mr. Wang’s father, as the nominee for the benefit of Mr. Wang
“Latest Practicable Date”	6 October 2005, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information contained in this prospectus
“Lead Manager”	China Everbright Securities
“Listing”	the listing of the Shares on GEM
“Listing Committee”	the listing sub-committee of the board of the Stock Exchange with responsibility for GEM
“Listing Date”	the date on which the tradings of the Shares commence on GEM, which is expected to be on or about 18 October 2005
“Lock-up Period”	commencing on the date of this prospectus and ending on the last day of the twelfth-month after the Listing Date (both dates inclusive)
“Main Board”	the securities market operated by the Stock Exchange prior to the establishment of GEM and which stock market continues to be operated by the Stock Exchange in parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM
“Memorandum”	the memorandum of association of the Company
“MCON”	Ministry of Construction of the PRC (中華人民共和國建設部)
“MOC”	Ministry of Commerce of the PRC (中華人民共和國商務部)
“MOFTEC”	Ministry of Foreign Trade and Economic Corporation of the PRC (中華人民共和國對外貿易經濟合作部), the predecessor of MOC
“Mr. Wang”	Mr. Wang Yusuo (王玉鎖先生), the chairman and an executive Director of the Company, and the spouse of Ms. Zhao
“Ms. Zhao”	Ms. Zhao Baoju (趙寶菊女士), a non-executive Director of the Company, and the spouse of Mr. Wang

DEFINITIONS

“MT II”	Certificate of flaw detection by magnetic powder (II) issued in accordance with the Rules for Appraisal, Supervision over and Administration on the Personnel in Flaw Detection for Special Equipment (《特種設備無損檢測人員考核與監督管理規則》)
“MT III”	Certificate of flaw detection by magnetic powder (III) issued in accordance with the Rules for Appraisal, Supervision over and Administration on the Personnel in Flaw Detection for Special Equipment (《特種設備無損檢測人員考核與監督管理規則》)
“NDRC”	National Development and Reform Commission (國家發展與改革委員會)
“Neogas”	Neogas Inc., a U.S. company which develops and markets technologies to transport and deliver compressed natural gas, and an Independent Third Party
“Over-allotment Option”	the option granted by the Company to the Underwriters pursuant to the Underwriting Agreement, exercisable by China Everbright Securities (for itself and on behalf of the Underwriters) pursuant to which the Company may be required to allot and issue up to an aggregate of 13,200,000 additional new Shares, representing 11% of the Placing Shares, at the Placing Price to cover over-allocation in the Placing
“PBOC”	The People’s Bank of China, the central bank of the PRC
“Placing”	the conditional placing of the Placing Shares at the Placing Price, subject to the Over-allotment Option, as described in the section headed “Structure and conditions of the Placing” in this prospectus
“Placing Price”	the final price per Placing Share (exclusive of brokerage fees, Stock Exchange trading fee, investor compensation levy and SFC transaction levy), being the price at which the Placing Shares are to be subscribed for and issued pursuant to the Placing, to be determined as described under the section headed “Structure and conditions of the Placing – The Placing Price” in this prospectus
“Placing Share(s)”	120,000,000 new Shares initially being offered by the Company for subscription under the Placing, together with, where relevant, any additional Shares which may be issued pursuant to the exercise of the Over-allotment Option

DEFINITIONS

“PRC Government” or “State”	the government of the PRC
“Pre-IPO Share Option Plan”	the share option plan adopted by the Company on 26 September 2005, a summary of the principal terms of which is set out in the section headed “Share Option Schemes – Summary of the terms of the Pre-IPO Share Option Plan” in Appendix VII to this prospectus
“Price Determination Date”	on or around 12 October 2005 (or such other date as agreed by the Company and China Everbright Securities (for itself and on behalf of the Underwriters)), being the date on which the Placing Price is fixed for the purpose of the Placing
“Redeemable Convertible Bonds”	the redeemable convertible bonds issued by EIGL to Investec in the aggregate principal amount of US\$5,000,000
“Relevant Securities”	has the meaning ascribed thereto under Rule 13.15 of the GEM Listing Rules
“Reorganisation”	the corporate reorganisation which the Group underwent in preparation of the Listing, particulars of which are set out in the section headed “Corporate reorganisation” in Appendix VII to this prospectus
“RMB”	Renminbi, the lawful currency of the PRC
“SCE”	standard coal equivalent, which is calculated according to the data on the average coal consumption for generating electric power in the same year
“SETC”	State Economic and Trade Committee (國家經濟貿易委員會)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share Option Scheme”	the share option scheme conditionally adopted by the Shareholders on 26 September 2005, a summary of the principal terms of which is set out in the section headed “Share Option Schemes – Summary of the terms of the Share Option Scheme” in Appendix VII to this prospectus
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company

DEFINITIONS

“Shareholder(s)”	holder(s) of Share(s) in the Company
“Shijiazhuang BVI”	Enric Shijiazhuang Investment Limited, an investment holding company incorporated in BVI with limited liability on 29 April 2002 and is wholly owned by EIGL
“Shijiazhuang Chemical Equipment”	Shijiazhuang Chemical Equipment Company Limited* (石家莊化工機械股份有限公司), the predecessor of Xinao Shijiazhuang and a joint stock limited company established in February 1994 in the PRC
“Shijiazhuang JV Agreement”	the Sino-foreign equity joint venture agreement entered into between Xinao Shijiazhuang and Shijiazhuang BVI on 16 July 2003 in respect of the establishment of Enric Gas Equipment
“Significant Shareholder”	the significant shareholder (as defined in the GEM Listing Rules) of the Company, being Symbiospartners and Investec as described in the section headed “Substantial, Initial Management and Significant Shareholders” in this prospectus
“Sponsor” or “Global Coordinator”	China Everbright Capital
“State Council”	the State Council of the PRC (中華人民共和國國務院)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed thereto in section 2 of the Companies Ordinance
“Symbiospartners”	Symbiospartners Private Equity Limited, an investment holding company incorporated in BVI with limited liability on 2 January 2004 and is owned as to 50% by Symbiospartners Investment Limited, 35% by SinoBanker Group and 15% by Mr. Liang Zhengzhong
“Track Record Period”	the two years ended 31 December 2004 and the six months ended 30 June 2005
“Tripartite Agreement”	the agreement dated 31 March 2004 and entered into by Xinao Shijiazhuang, Shijiazhuang BVI and Enric Gas Equipment whereby, amongst other things, Xinao Shijiazhuang and Shijiazhuang BVI agreed on a list of assets and liabilities to be injected by Xinao Shijiazhuang into Enric Gas Equipment in relation to the establishment of Enric Gas Equipment by Xinao Shijiazhuang and Shijiazhuang BVI

DEFINITIONS

“Underwriters”	the underwriters of the Placing whose names are set out in the section headed “Underwriting-Underwriters” in this prospectus
“Underwriting Agreement”	the underwriting agreement dated 10 October 2005 and entered into between, among other parties, the Company, the Sponsor, the Lead Manager, the Initial Management Shareholders, the executive Directors and the Underwriters, particulars of which are summarised in the section headed “Underwriting” in this prospectus
“United States” or “U.S.”	the United States of America
“US\$”	US dollars, the lawful currency of the United States
“WTO”	World Trade Organisation
“XGCL”	Xinao Group Company Limited* (新奧集團股份有限公司), a joint stock limited company incorporated in the PRC on 5 August 1997 and is ultimately owned as to approximately 72.97% by Mr. Wang and Ms. Zhao
“XGCL Group”	XGCL and its subsidiaries
“XGII”	Xinao Group International Investment Limited (formerly known as Easywin Enterprises Limited), an investment holding company incorporated in BVI on 18 July 2000 with limited liability, which is owned as to 50% by Mr. Wang and 50% by Ms. Zhao
“Xinao Gas”	Xinao Gas Holdings Limited (新奧燃氣控股有限公司*), an exempted company incorporated in the Cayman Islands on 20 July 2000 with limited liability, the shares of which are listed on the Main Board by way of an introduction since 3 June 2002 and is indirectly controlled by Mr. Wang and Ms. Zhao
“Xinao Gas Group”	Xinao Gas and its subsidiaries
“Xinao Shijiazhuang”	Xinao Group Shijiazhuang Chemical Machinery Company Limited* (新奧集團石家莊化工機械股份有限公司), a joint stock limited company incorporated in the PRC and was first established in February 1994 and is indirectly controlled by Mr. Wang. Prior to the Reorganisation, Xinao Shijiazhuang held 70% equity interest in Enric Gas Equipment and is part of the XGCL Group

DEFINITIONS

“bcm”	billion cubic meter, a measurement of volume. 1 billion m ³ equals to approximately 35.5 billion ft ³
“Btu”	British thermal unit, is the amount of heat required to raise the temperature of one pound of water from 60 degrees Fahrenheit to 61 degrees Fahrenheit at a constant pressure of one atmosphere
“ft”	foot, a measurement of distance. 1 ft equals to approximately 0.305 meter
“ft ³ ”	cubic foot, a measurement of volume. 1 ft ³ equals to approximately 0.028 m ³
“km”	kilometer, a measurement of distance. 1 km equals to 1,000 meters
“KVA”	kilovolt ampere, a unit of electrical power equal to 1,000 volt-ampere
“m ³ ”	cubic meter, a measurement of volume. 1 m ³ meter equals to approximately 35.5 ft ³
“min”	minute, a measurement of time
“MPa”	megapascal, a measurement of pressure. 1 MPa equals to 10 bars which is approximately 10.197 kilograms of force per square centimetre
“Nm ³ ”	standard cubic meter, a measurement of volume of gases under special conditions of pressure (1 atmospheric pressure) and temperature (0 degree centigrade)
“sq.ft.”	square foot
“sq.m.”	square meter
“%”	per cent.
“£”	the United Kingdom sterling pounds, the lawful currency of the United Kingdom
“*”	for identification purposes only

All dates and times in this prospectus refer to Hong Kong time unless otherwise stated.

DEFINITIONS

Unless otherwise specified in this prospectus, amounts denominated in RMB, US\$ and £ have been translated, for the purpose of illustration and the preparation of the Track Record Period results only, into Hong Kong dollars as follows:

<i>HK\$1.00</i>	<i>=</i>	<i>RMB1.06</i>
<i>US\$1.00</i>	<i>=</i>	<i>HK\$7.80</i>
<i>£1.00</i>	<i>=</i>	<i>HK\$13.80</i>

No representation is made that any amounts in RMB, HK\$, US\$ or £ could have been or could be converted at the above rate or at any other rates or at all.

English names of the PRC incorporated companies and entities have been included in this prospectus for identification purposes only. In the event of any inconsistency, the Chinese name prevails.