

DIRECTORS, SENIOR MANAGEMENT AND STAFF

BOARD OF DIRECTORS

Executive Directors

Mr. Wang Yusuo (王玉鎖先生), aged 41, is the co-founder and chairman of the Company and an executive Director. He is responsible for overseeing the Group's overall strategic planning. Mr. Wang has over 19 years of experience in the investment in, and management of, the gas business in the PRC. He graduated from the People's University of the PRC (中國人民大學) in 1994 and has obtained a master's degree in Management from the Tianjin College of Finance and Economics (天津財經學院) in 2002. Mr. Wang is currently a member of the Tenth National Committee of the Chinese People's Political Consultative Conference and the vice-chairman of the Ninth Executive Committee of the All-China Federation of Industry and Commerce. He has won various awards including Hebei's Top Ten Young and Successful Persons and Outstanding Entrepreneur in China. Mr. Wang is also the chairman and an executive director of XGCL and Xinao Gas respectively, and is responsible for formulating the business strategy of these two groups of companies. Mr. Wang is the spouse of Ms. Zhao. It is currently expected that Mr. Wang will divide his time equally and spend approximately one third of his time in the Group after the Listing.

Mr. Cai Hongqiu (蔡洪秋先生), aged 41, is an executive Director and the chief executive officer of the Company. Mr. Cai is fully responsible for the overall operations of the Group. Mr. Cai graduated from the University of Political Science and Law of the PRC (中國政法大學) and Tsinghua University's School of Economics and Management (清華大學經濟管理學院) and received his bachelor's degree in Law in 1985 and master's degree in Science in 1992. Mr. Cai is a senior economist and obtained qualifications as a lawyer in the PRC in 1989. Mr. Cai joined the Group in 2002. Prior to that he was appointed as the general manager of Xinao Group Solar Power Company Limited and the general manager of Xinao Shijiazhuang. Mr. Cai has over eight years of experience in the management of industrial enterprises.

Mr. Yu Jianchao (于建潮先生), aged 36, is an executive Director. He graduated from the Hebei College of Economics and Finance College (河北財經學院) in 1993. Prior to joining XGCL in 1998, Mr. Yu had worked as the chief accountant for a number of foreign enterprises including GSK Industry (China) Co., Ltd and Nissin COFCO Foods Co., Ltd. Mr. Yu joined the Group in 2002. He is also an executive director and the chief accountant of Xinao Gas responsible for decision making in investment and finance-related matters. Mr. Yu has over 13 years of experience in accounting and finance and over eight years of experience in the management of industrial enterprises. It is currently expected that Mr. Yu will spend approximately half of his time in the Group after the Listing.

Mr. Zhao Xiaowen (趙小文先生), aged 41, is an executive Director and the chief marketing officer of the Company. Mr. Zhao is responsible for the sales and marketing strategy of the Group. In 2003, he was appointed as the chief marketing officer of the Group and the deputy general manager of Xinao Shijiazhuang. In 2004, he was appointed as the deputy general manager of Enric Gas Equipment. Prior to that, Mr. Zhao was the

DIRECTORS, SENIOR MANAGEMENT AND STAFF

head of the production and sales department at XGCL and Xinao Group Solar Energy Company Limited. He was also involved in the areas of processing of machinery and pressure vessels, and the manufacture of gas equipment at Xinao Shijiazhuang. Mr. Zhao is experienced in sales and marketing and has over 20 years of experience in corporate management (in particular, eight years of experience in the manufacturing industry).

Mr. Zhou Kexing (周克興先生), aged 42, is an executive Director and the chief accountant of the Company. Mr. Zhou is responsible for the Group's accounting and finance operations. Mr. Zhou graduated from Tianjin College of Finance and Economics (天津財經學院) and received his bachelor's degree in Economics in 1982 and master's degree in Business Administration in 2001. Prior to joining the Group in 2001, Mr. Zhou lectured at Tianjin College of Finance and Economics (天津財經學院) as a deputy research officer. Mr. Zhou specialises in accounting and finance and is experienced in capital operation.

Non-executive Director

Ms. Zhao Baoju (趙寶菊女士), aged 39, is the co-founder and a non-executive Director of the Company. Ms. Zhao graduated from Hebei Medical College Nursing School (河北醫學院護士學校) in 1987 and Capital Normal University (首都師範大學) in 1998. Ms. Zhao is the spouse of Mr. Wang.

Independent non-executive Directors

Mr. Gao Zhengping (高正平先生), aged 50, is an independent non-executive Director. Mr. Gao holds a doctorate degree in Management Science from Tianjin University of Finance and Economics (天津財經大學) in 2002 and is the vice-principal and a professor of Tianjin University of Finance and Economics. Mr. Gao is also a standing director of the Financial Talents Committee of Talents Research Association of the PRC (中國人才研究會金融人才專業委員會), a member of the editorial board of China Financial Publishing House (中國金融出版社) and a member of the professional committee of the Tianjin Venture Investment Promotion Association (天津市風險投資促進會).

Mr. Shou Binan (壽比南先生), aged 48, is an independent non-executive Director. Mr. Shou obtained a bachelor's degree in Engineering from Dalian University of Technology (大連理工學院) in 1982 and a master's degree in Engineering from Tsinghua University (清華大學) in 1995. Mr. Shou is a senior engineer of the Research Institute of China's Petrochemical Industry Economy and Technology (中國石化經濟技術研究院). Mr. Shou is appointed by the Management Committee of the Standardisation Administration of China (中國國家標準化管理委員會) as a member and the chief secretary of the China Standardisation Committee on Boilers and Pressure Vessels (全國鍋爐壓力容器標準化技術委員會). Mr. Shou is a committee member of the Special Equipment Safety Technology Committee (特種設備安全技術委員會) of the GAQSIQ. He is also appointed by the Hefei General Machinery Research Institute (合肥通用機械研究所) as a member of the academic committee of post-doctorate scientific research working station (博士後科研工作站學術委員會).

DIRECTORS, SENIOR MANAGEMENT AND STAFF

Mr. Wong Chun Ho (王俊豪), aged 33, is an independent non-executive Director. Mr. Wong holds a bachelor's degree in Business (Accounting) and a bachelor's degree in Computing (Information System) from Monash University, Australia. Mr. Wong is an associate member of the Hong Kong Institute of Certified Public Accountants, Certified Practising Accounting of CPA Australia and a Chartered Financial Analyst. Mr. Wong is currently working in the investment banking industry and prior to that he worked as an auditor in KPMG. Mr. Wong has over 10 years of corporate finance and audit experience in the Hong Kong and China region.

SENIOR MANAGEMENT

Mr. Yang Weifeng (楊威鋒先生), aged 33, is the deputy chief executive officer of the Company and is responsible for assisting the chief executive officer of the Company in the overall business operations of the Group. Mr. Yang received his bachelor's degree in Engineering from Beijing University of Chemical Technology (北京化工大學) in 1993, and subsequently received his second bachelor's degree in Law and his master's degree in Business Administration from Nankai University (南開大學) in 1998 and 2003 respectively. Mr. Yang has obtained qualifications as a lawyer, and is an accountant, a registered tax agent, an engineer and a certified consultant engineer in the PRC. Mr. Yang is also qualified in undertaking matters relating to securities (securities underwriting, brokerage and investment analysis), funds and futures in the PRC. Prior to joining the Group in 2002, Mr. Yang had worked at The First Designing Institute of the Ministry of Chemicals Industry of the PRC (化工部第一設計院) and Tianjin Jinbin Development Co. Ltd. (天津津濱發展股份有限公司). He was responsible for project design, project management, financial consultancy, securities analysis, legal affairs and business administration in those companies.

Mr. Tu Guangzong (屠光宗先生), aged 36, is the chief engineer of the Group. Mr. Tu obtained a bachelor's degree in Engineering from Tsinghua University (清華大學) in 1993. He has been the researcher of the CNG project, the manager of the CNG workshop and the assistant to the general manager of Enric Gas Equipment. Prior to joining the Group in 2002, Mr. Tu worked for Langfang Hengyu Machinery Company Limited (廊坊恒宇工具有限公司) and was responsible for production management.

Mr. Pang Weilong (龐維龍先生), aged 44, is the chief engineer of the Company. Mr. Pang obtained a bachelor's degree in Engineering from Beijing University of Agricultural Engineering (北京農業工程大學) in 1982 and received his master's degree in Engineering from New Zealand's Lincoln University in 1992. He received his doctorate in Philosophy from New Zealand's Massey University in 1994. Prior to joining the Group in 2002, Mr. Pang was a researcher at the Royal Institute of Industrial Research in New Zealand.

Mr. Ren Zhiqing (任志清先生), aged 42, is the manager of the Company's marketing department. Mr. Ren graduated in 1983 from Hebei University of Science and Technology (河北科技大學) with a bachelor's degree in Engineering and he pursued advanced studies at Dalian University of Technology (大連理工大學) in a master's degree programme in Management Science and Engineering. Mr. Ren is a senior engineer. Prior to joining the Group in 2002, Mr. Ren was a deputy general manager and the chief engineer at Longchamp

DIRECTORS, SENIOR MANAGEMENT AND STAFF

(Hebei) Pharmaceutical Co. Ltd (河北龍昌藥業有限公司). Mr. Ren specialises and is experienced in the planning of sales and marketing schemes and strategies. Mr. Ren was awarded the second place in Hebei province youth achievement for inventions.

Mr. Ren Yingjian (任英建先生), aged 50, is the general manager of Enric Gas Equipment. Mr. Ren is responsible for the day-to-day operations of Enric Gas Equipment. Mr. Ren completed his study in Tsinghua University's School of Economics and Management (清華大學經濟管理學院) in 1996 and is an engineer. Prior to joining the Group in 2002, Mr. Ren was the general manager at Mudanjiang Sanxing Knitwear Factory (牡丹江三星針織廠) and the managing director of Mudanjiang Gold Peony Knitwear Company (牡丹江金牡丹針織有限公司). Mr. Ren was appointed as the general manager of Xinao Group Solar Power Company Limited in 2001 and the deputy general manager of Xinao Shijiazhuang in 2003. He is experienced in management of industrial enterprises.

Mr. Zhang Falong (張發龍先生), aged 39, is the general manager of Enric Compressor. Mr. Zhang is responsible for the day-to-day operations of Enric Compressor. Mr. Zhang graduated from Anhui's Institute of Business Administration (安徽工商管理學院) and received his master's degree in Business Administration in 2001. Mr. Zhang is a senior engineer. Prior to joining the Group in 2002, Mr. Zhang was a designer, the deputy supervisor and the general manager of the sub-factory of Bengbu Compressor. Mr. Zhang is experienced in the management of industrial enterprises.

Mr. Cheong Siu Fai (張紹輝先生), aged 33, is the company secretary and qualified accountant of the Company. He holds a bachelor's degree in Business Administration from Thames Valley University in the United Kingdom. Mr. Cheong is an associate member of the Hong Kong Institute of Certified Public Accountants and the Association of International Accountants in the United Kingdom. Prior to joining the Company in December 2004, Mr. Cheong worked in an international firm of certified public accountants. Mr. Cheong has more than 10 years of experience in the field of auditing and business advisory.

Mr. Wang Fenglin (王鳳林先生), aged 47, is the general manager of Enric Integration. Mr. Wang obtained a bachelor's degree in Engineering from Gansu University of Technology (甘肅工業大學) in 1982 and a master's degree in Business Administration from Lancaster University, United Kingdom in 1990. He is a certified engineer and a senior economist. Prior to joining the Group in 2004, Mr. Wang worked as a general manager in Handan Textile Machinery Factory (邯鄲紡織機械廠), a deputy head of Import and Export Department for China Textile Machinery (Group) Co., Ltd. (中國紡織機械集團) and a general manager in Beijing Weihong New-tech Development Company Limited (北京偉航新技術開發有限公司).

Mr. Liu Zhi'ang (劉志昂先生), aged 60, is the chairman of the board of directors of Enric Gas Equipment. Mr. Liu graduated from Tianjin Industrial and Commercial School and received a bachelor's degree in 1969. Prior to joining the Group in 2000, Mr. Liu was an engineer at Hebei Xingtai Chemical Engineering and Electronic Machineries Factory (河北邢台化工電機廠), the head of Hebei Xingtai Chemical Engineering and Machineries Factory (河北邢台化工機械廠) and a chief secretary as well as the head of the planning

DIRECTORS, SENIOR MANAGEMENT AND STAFF

development committee of People's Government of Xingtai City, Hebei province (河北省邢台市政府). He was also the general manager of Xinao Shijiazhuang. Mr. Lin spent 80% of his time in the Group during the Track Record Period and it is expected that he will spend full time with the Group after the Listing.

AUDIT COMMITTEE

The Company has established an audit committee on 26 September 2005 with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the audit committee are, among other things, to review and supervise the financial reporting process and internal control system of the Group. The audit committee has three members comprising the three independent non-executive Directors. Mr. Wong Chun Ho has been appointed as the chairman of the audit committee.

STAFF

A breakdown of the number of staff of the Group by function as of 31 December 2003 and 2004 and 30 June 2005 and the Latest Practicable Date are as follows:

Function	As of 31 December 2003	As of 31 December 2004	As of 30 June 2005	As of Latest Practicable Date
Management	20	42	42	43
Research and development	61	126	126	126
Production	408	762	782	780
Quality control	27	62	62	62
Sales and marketing	61	110	110	118
Administration	60	135	136	136
Total	<u>637</u>	<u>1,237</u>	<u>1,258</u>	<u>1,265</u>

STAFF RELATIONS

The Group maintains good relations with its staff and has not encountered any major difficulties in its recruitment and retention of staff. There were no interruption to the Group's operations due to labour disputes in the past.

RETIREMENT SCHEMES

The Group operates retirement schemes for its employees in the PRC, details of which are set in the accountants' report in Appendix I to this prospectus. The Group complies with the applicable PRC regulations on social insurance.

SHARE OPTION SCHEMES

The Company has adopted the Pre-IPO Share Option Plan and the Share Option Scheme. The principal terms of the Pre-IPO Share Option Plan and the Share Option Scheme are summarised in the sections headed “Share Option Scheme – Summary of the terms of the Pre-IPO Share Option Plan” and “Share Option Scheme – Summary of the terms of the Share Option Scheme” in Appendix VII to this prospectus.

The Company has granted options to a total of 12 participants (including five executive Directors, five members of the senior management and two employees of the Group) under the Pre-IPO Share Option Plan to subscribe for an aggregate of 13,800,000 Shares, representing approximately 3.19% of the enlarged issued share capital of the Company immediately following the completion of the Capitalisation Issue, the Conversion and the Placing (without taking into account any exercise of the Over-allotment Option or the exercise of the options which have been granted under the Pre-IPO Share Option Plan and may be granted under the Share Option Scheme). The exercise price of these options is the Placing Price.