

DIRECTORS, SENIOR MANAGEMENT AND STAFF

DIRECTORS

Executive Directors

Mr. Wang Yusuo, aged 36, 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 15 years of experience in the investment in, and management of, the gas business in the PRC. He graduated from 中國人民大學 (the People's University) in 1994 and is currently studying for a master's degree in Management at the 天津財經學院 (Tianjin College of Finance and Economics). Mr. Wang was a committee member of the 中國土木工程學會城市煤氣分會第七屆理事會 (Seventh Towngas Committee of the China Civil Engineering Society) in 1999 and is currently a member of the 第九屆全國人民政治協商會議 (Ninth National People's Political Consultative Conference) and a member of the 全國工商聯第八屆執行委員會 (Eighth National Industrial and Commercial Conference). He has won various awards including 河北省十大傑出青年 (Hebei's Top 10 Young and Successful Person) and 中國優秀民營企業家 (Outstanding Entrepreneur in China). Mr. Wang is the spouse of Ms. Zhao.

Mr. Yang Yu, aged 43, is an executive Director and the general manager of the Company responsible for managing and implementing the Group's investment in the PRC, ensuring the safety of the Group's projects, securing gas supply and exploring further gas investments and markets in the PRC. Prior to joining the Group in 1998, he worked with the 中國石油天然氣管道局 (China Petroleum and Natural Gas Pipelines Bureau) and was an executive director, deputy general manager and chief engineer of 中油龍昌 (集團) 股份有限公司 (Petroleum Long Champ (Group) Company Limited), a company listed in the PRC, a director of 塔里木輸油氣有限責任公司 (Talimu Petroleum and Gas Transportation Company Limited) and 青島勝青輸油有限公司 (Qingdao Shengqing Petroleum Transportation Company Limited). He graduated from the 石油工業部管道局職工學院 (Petroleum and Industrial Ministry Pipeline Bureau Technical Institute) in 1985. He holds a master's degree in banking from 中國人民大學 (Renmin University of China) in 1999. Mr. Yang has over 15 years of experience in the PRC gas industry.

Mr. Zhao Jinfeng, aged 33, is an executive Director and a deputy general manager of the Company. He is the head of the business development division and is responsible for assisting the general manager in managing and implementing the Group's investment projects in the PRC, supervising the safety of the Group's projects, securing gas supply and exploring the piped gas market in the PRC. He graduated from the 農業部鄉鎮企業管理幹部學院 (Management Institute of the Ministry of Agriculture). Prior to joining the Group in 1993, Mr. Zhao worked for 廊坊市機電公司 (Langfang City Electrical Company) as a 物資經濟管理經濟員 (economist for resources management). Mr. Zhao has over eight years of experience in the PRC gas industry. Mr. Zhao is a brother of Ms. Zhao.

Mr. Qiao Limin, aged 42, is an executive Director and a deputy general manager of the Company responsible for the safety and operational matters of the Group. Prior to joining the Group in 1993, he worked at 包頭市師範專科學校 (Baotou Education College) and was an assistant lecturer at 廊坊市衛生學校 (Langfang City Health College). He graduated from Baotou Education College in 1984. Mr. Qiao has over eight years of experience in managing gas projects and supervising gas supply operations and safety.

Mr. Jin Yongsheng, aged 37, is an executive Director and deputy general manager of the Company responsible for overseeing legal matters of the Group. He graduated from the Tianjin College of Finance and Economics in 1986, specialising in finance. Prior to joining the Group in

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1996, he was an assistant professor in 農業部鄉鎮企業管理幹部學院 (Management Institute of the Ministry of Agriculture). Mr. Jin is a qualified practising lawyer in the PRC and has over 10 years of experience in legal practice.

Mr. Yu Jianchao, aged 32, is the Finance Director of the Company. He joined the Group in January 1998. He graduated from the 河北財經學院 (Hebei Economics and Finance College) in 1993. Prior to joining the Group, Mr. Yu had worked as the chief accountant for a number of foreign enterprises including 全興工業廊坊有限公司 (GSK Industry (China) Co., Ltd.) and 日清中糧食品有限公司 (Nissin COFCO Foods Co., Ltd.). Mr. Yu has 12 years of experience in accounting and finance.

Non-executive Director

Madam Zhao Baoju, aged 35, is the co-founder and a non-executive Director. She has over eight years of experience in investing in gas fuel projects in the PRC. She graduated from the 河北醫學院護士學校 (Hebei Medical College Nursing School) in 1987 and the Chinese Language Faculty of 首都師範大學 (Capital Education University) in 1998. Ms. Zhao is the spouse of Mr. Wang.

Independent non-executive Directors

Mr. Wang Guangtian, aged 37, is an independent non-executive Director appointed by the Company in March 2001. He holds a master's degree in World Economics from Hebei University and has over 20 years of experience in financial management and administrative management. He was the head of the Financial Bureau of Haixin County of Hebei Province and deputy head of the Financial Bureau of Cangzhou City of Hebei Province. He is currently the deputy general manager of Hebei Enterprises Limited (a company incorporated in Hong Kong) which is the window company for the Hebei Provincial Government in Hong Kong. He is also the general manager of Overseas Way (China) Limited (a company incorporated in Hong Kong).

Mr. Xu Liang, aged 60, is an independent non-executive Director appointed by the Company in March 2001. He studied coal gas engineering in 哈爾濱建築工程學院 (Harbin Architecture and Engineering College). He worked in the 中國市政工程華北設計研究院 (China Urban Engineering Huabei Design and Research Institute) for 36 years in research and design of urban gas supply and is now their consultant and chief engineer. He was also the Secretary of 中國土木工程學會城市煤氣學會第七屆理事會 (Seventh Towngas Committee of the China Civil Engineering Society) and a committee member of 中國天津市土木工程學會第六屆理事會 (Sixth Committee of the Tianjin Civil Engineering Society). He is currently also a committee member of the 中國消防協會第三屆建築防火專業委員會 (Third Construction and Fire Prevention Committee of the PRC Fire Prevention Society).

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control systems of the Group.

The audit committee comprises three members, namely Messrs. Wang Guangtian, Xu Liang and Yu Jianchao.

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SENIOR MANAGEMENT

Mr. Yang Junjie, aged 29, is the Chief Engineer of the Group. Mr. Yang joined the Group in September 1996 and is responsible for the Group's technical research and development. Mr. Yang has extensive experience and technical expertise in the gas fuel area. He holds a bachelor's degree in engineering from 重慶建築大學 (Chongqing Construction University) and a master's degree in engineering from 上海同濟大學 (Shanghai Tongji University).

Mr. Jiang Yongxin, aged 38, is the head of the technology, quality and safety department. He graduated from 華東石油學院 (Huadong Petroleum Institute) in 1985 with a bachelor's degree in engineering and is also a specialist in storage and transportation of petroleum and holds a master's degree in engineering in the storage and transportation of petroleum awarded by the 石油大學 (China Petroleum University). Prior to joining the Group in August 2000, he had worked in the 中國石油天然氣管道科學研究院 (Petroleum and Natural Gas Pipelines Research Institute in the PRC), 北京天然氣集輸公司 (Beijing Natural Gas Transportation Company), and 中國石油天然氣管道工程有限公司 (China Petroleum and Natural Gas Pipelines Engineering Company) as senior engineer. He has received the Award for Advancement in technical know-how from 中國石油天然氣管道局 (China Petroleum and Natural Gas Pipelines Bureau). Mr. Jiang has over 12 years of experience in the gas fuel industry in the PRC.

Mr. Wang Dongzhi, aged 32, is the head of the finance department. Mr. Wang graduated in 1991 with a bachelor's degree in engineering management from 北京化工學院 (Beijing Chemical College) (now known as 北京化工大學 (Beijing Chemicals University)). In 1996, Mr. Wang obtained a bachelor's degree in Economics, and qualified as a PRC Certified Accountant through self study. Before joining the Group in August 2000, Mr. Wang was in charge of the finance department of a Sino-foreign joint venture company, and has extensive experience in treasury and cost management.

Mr. Mark Osman, aged 38, is the head of the customer service department. Before joining the Group in November 2000, Mr. Osman was the managing director of InTelMark. He has over 10 years of experience in the areas of customer service, regional sales and marketing. Mr. Osman graduated from North London University (formerly known as Polytechnic of North London) with a bachelor's degree in Science and later completed a senior management programme. He is a founder member of the Institute of Direct Marketing.

Ms. Li Xiufen, aged 39, is the general manager of Langfang Xinao. She joined the Group in October 1999. She graduated from 哈爾濱工業大學 (Harbin Industrial University) in 1984 from the Faculty of Engineering. Prior to joining the Group in October 1999, she worked in 牡丹江儀表機械有限責任公司 (Mudanjiang Metre Mechanics Company Limited) and was a deputy general manager and the assistant to the general manager of that company and was responsible for technology management and introduction of technology. Ms. Li has over 15 years of experience in technology management.

Mr. Ju Xilin, aged 43, is the general manager of Beijing Xinao. He graduated in 1987 from 牡丹江市委黨校 (Mudanjiang City Communist Institute) specialising in Political Science. Prior to joining the Group in January 1996, he worked in state-owned enterprises where he was responsible for the operational management of those enterprises and was the manager of an industrial and trading company, general manager and party secretary of a tire company and has been the party secretary and vice factory manager of 牡丹江紡織廠團委 (Mudanjiang Textile Factory). Mr. Ju has over 20 years of experience in operational management.

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Mr. Han Jishen, aged 36, is the general manager of Huludao Xinao. He graduated from 保定職工學校 (Baoding Staff College) in 1990. Mr. Han joined the Group at the end of 1993 and is responsible for management and operations. He had been the general manager of Langfang Xinao and is the general manager of Huludao Xinao. Mr. Han has over seven years of experience in the gas fuel industry in the PRC.

Mr. Cheung Yip Sang, aged 34, is the general manager of Liaocheng Xinao. He holds a bachelor's degree in Legal Studies awarded by 中國人民武裝警察部隊學院 (The Chinese People's Armed Police Force Academy). Prior to joining the Group in February 1998, he was the sales manager of Eastern Guangdong Region of 汕頭加丹啤酒有限公司 (Shantou Jiadan Beer Company Limited). Mr. Cheung is experienced in marketing and sales.

QUALIFIED ACCOUNTANT AND COMPANY SECRETARY

Mr. Cheng Chak Ngok, aged 30, is the qualified accountant and secretary of the Company. Prior to joining the Group in November 2000, he worked in an international accounting firm and a freight forwarding company. He graduated from Manchester Metropolitan University with a first class honour bachelor's degree in accounting and finance. He is an associate member of the Hong Kong Society of Accountants and the Association of Chartered Certified Accountants in England, the Hong Kong Institute of Company Secretaries and the Institute of Chartered Secretaries and Administrators.

STAFF

As at 28 February 2001, the Group had a total of 501 staff of which 499 are based in the PRC and two are based in Hong Kong. The breakdown of staff by function and geographical location is as follows:

	PRC	Hong Kong	Total
Management	20	–	20
Gas operations (including safety)	203	–	203
Engineering	119	–	119
Sales and marketing	41	–	41
Construction design and research and development	39	–	39
Planning and finance	32	1	33
Administration	22	1	23
Procurement	12	–	12
Business development	11	–	11
	499	2	501
	499	2	501

Relationship with staff

The Group recognises the importance of training its staff. Apart from on-the-job training, the Group regularly provides internal and external training for its staff to enhance their technical or product knowledge.

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The Group has not experienced any significant problems with its employees or disruption in its operations due to labour disputes nor has it experienced any difficulties in the recruitment and retention of experienced staff. The Directors believe that the Group has a good working relationship with its employees.

Pension scheme

Currently, the Group's PRC employees have all enrolled in the mandatory central provision scheme operated by the PRC Government.

In accordance with the relevant mandatory provident fund laws and regulations of Hong Kong, the Group contributes a monthly amount to a professionally managed fund equivalent to 5% of the total salary of its full time employees (up to a maximum of HK\$1,000 for each employee). Each employee in Hong Kong is required to contribute 5% of his or her total salary to the scheme and may elect to make voluntary contributions.

Housing benefits

In accordance with the relevant housing reserve fund laws and regulations in the PRC, the Group contributes a monthly amount to a designated account managed by the Group equivalent to 5% of the total salary of its employees. Such funds are to be used by these employees for their future purchase or rental of residential properties for their own occupation. For the three financial years ended 31 December 2000, the Group's contributions to the employees' housing scheme were RMB42,640, RMB41,280 and RMB42,000, respectively. The Group's only housing benefit obligation is the Group's contribution to this housing scheme.

Share Option Scheme

The Company has conditionally adopted a Share Option Scheme whereby employees of the Group, including executive Directors, may be granted options to acquire Shares. The Directors believe that the Share Option Scheme will assist in the recruitment and retention of high calibre executives and employees. The principal terms of the Share Option Scheme are set out in the paragraph headed "Share Option Scheme" in Appendix V to this prospectus.