

DIRECTORS, MANAGEMENT AND STAFF

DIRECTORS

Executive Directors

Mr. CHEN Chang (陳昌), aged 63, founder of our Group. Mr. Chen was initially appointed as a Director on 9 January 2008, and was subsequently designated as an executive Director on 23 January 2010. Mr. Chen is the father of Ms. Chen Zhao Nian and Ms. Chen Zhao Hua (both being executive Directors). Before the establishment of PCKSP in June 1993, Mr. Chen had worked for over 30 years in the areas related to woodwork, machine tool equipment and lift/escalator equipment, and accumulated experience and knowledge on mechanical and electrical industry. Since June 1993, Mr. Chen has been appointed as the legal representative of PCKSP. Mr. Chen was appointed by several steel pipe related associations and organisations for various positions, including the member of 第四屆焊接鋼管學術委員會委員 (The Fourth Session of Welded Steel Pipe Academic Committee*) by 中國金屬學會軋鋼分會 (The Steel Rolling Branch Association of the Chinese Society for Metals*) in 2001, the vice president of 中國鄉鎮企業協會 (China Township Enterprises Association*), and the vice chairman of 第四屆理事會 (The Fourth Session of Board of Directors*) and 第五屆理事會 (The Fifth Session of Board of Directors*) by CSPA in 2004 and 2008 respectively. Mr. Chen was awarded with various honours and obtained different qualifications. In 2004, he was honoured by Ministry of Commerce, Industry and Energy of Republic of Korea for his contribution to Korean economic development through trade revitalisation, and was also elected as 中國優秀民營科技企業家 (Excellent Entrepreneur in Chinese Private Technology Enterprises*) by All-China Federation of Industry & Commerce. In 2007, he was elected as the winner of 科學技術獎一等獎 (The First Prize of Science and Technology Awards*) by 廣州市人民政府 (Guangzhou Municipality People's Government*), and as authority expert of welded pipe industry by 中國國際權威專家協會 (Chinese International Authority Expert's Association*). In 2008, Mr. Chen was awarded the gold prize for his invention, 三輥成型工藝及設備 (Three-roller forming technology and equipment*), in 第六屆國際發明展覽會 (The Sixth Session of International Exhibition of Inventions*), and was awarded an outstanding award by 廣東省人事廳 (Guangdong Provincial Bureau of Personnel*) and 廣東省知識產權局 (Guangdong Province Intellectual Property Department*). In October 1995, Mr. Chen graduated from the graduate school of 中山大學 (Sun Yat-Sen University*) in Guangdong Province, the PRC, majoring in decision management. In 1997, Mr. Chen was accredited as a senior economist by 廣東省人事廳 (Guangdong Provincial Bureau of Personnel*).

During the Track Record Period, Mr. Chen's roles in PCKSP and Hualong Anti-Corrosion include overseeing their overall strategic development, soliciting for business opportunities, having regular meetings with senior management and staff and conducting site visits at the production factories so as to keep close track with the said companies' latest development. Mr. Chen's main role in Crown Central during the Track Record Period was to formulate the overall strategies for enhancing the image of PCKSP to its overseas customers through Crown Central. As for the GPR Companies which had not commenced commercial operation before 2008, Mr. Chen's main role therein include the preliminary preparation work and the making of start-up plans regarding the establishment of the GPR Companies. For Lessonstart, CKSPG and Lucknow which are investment holding companies of our Group, Mr. Chen did not perform substantial roles therein during the Track Record Period.

Ms. CHEN Zhao Nian (陳兆年), aged 32, a daughter of Mr. Chen who is the founder of our Group. Ms. Chen was appointed as an executive Director on 13 March 2008. Ms. Chen is mainly responsible for and assists in the daily management and operations of our Group. Ms. Chen obtained her bachelor's degree in arts from the University of Central Lancashire in the United Kingdom in June 2000 and obtained her master's degree in accounting from Leeds Metropolitan University, the United Kingdom, in October 2002. Ms. Chen joined PCKSP as vice general manager after graduation. Ms. Chen is also serving as the secretary to the board of directors of PCKSP and a director of PCKSP, Hualong Anti-Corrosion and GPR Steel Pipe.

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Ms. CHEN Zhao Hua (陳兆華), aged 30, a daughter of Mr. Chen who is the founder of our Group. Ms. Chen was appointed as an executive Director on 13 March 2008. Ms. Chen oversees the exports sales division of our Group and is mainly responsible for handling sales, business relationship with overseas customers and sales and bidding agents as well as overseas marketing activities. She obtained her master's degree of L.L.M. in International Commercial Law from University of Nottingham, the United Kingdom, in December 2002. After graduation, Ms. Chen has been working as the vice general manager of PCKSP. Ms. Chen was appointed as the vice chairman of PCKSP in January 2006. She is also a director of PCKSP, Hualong Anti-Corrosion, GPR Steel Pipe and Crown Central. Ms. Chen was elected as the winner of 科學技術獎一等獎 (The First Prize of Science and Technology Awards*) by 廣州市人民政府 (Guangzhou Municipality People's Government*) in 2007.

Each of the executive Directors has entered into a service contract with our Company for a period of three years commencing from 1 February 2010. Under such contract, each Director will receive a fixed monthly salary and may receive a discretionary bonus. Further details of the terms of the service contracts of the executive Directors are set out under the paragraph headed "Particulars of service contracts" in Appendix VI to this prospectus. Under the arrangements currently in force, we estimate the aggregate remuneration, excluding discretionary bonus, payable to our Directors for the year ending 31 December 2010 is estimated to be approximately RMB3,893,000.

Independent non-executive Directors

Mr. CHEN Ping (陳平), aged 44. Mr. Chen Ping was appointed as an independent non-executive Director on 23 January 2010. Mr. Chen Ping graduated from the Jinan University, the PRC, in 1984 majoring in international finance and later obtained a doctoral degree in international finance in Nankai University, the PRC, in December 1990. Commencing from January 1991, Mr. Chen Ping began lecturing at the Lingnan College, Guangzhou Sun Yat-Sen University, teaching international finance, and is currently the vice president of the Lingnan College. Mr. Chen Ping also assumed various posts in societies and clubs concerning economics and finance, such as council member at 中國國際金融學會 (International Finance Society of China*) and 中國世界經濟學會 (China Society of World Economics*). Mr. Chen Ping is also engaged in academic research which mainly focuses on finance theory and policy, global economics and so forth, and has published a number of essays and publications. As an experienced professor, Mr. Chen Ping has won various awards for the lecture materials used and also for the essays published. In 1997, Mr. Chen Ping's teaching materials entitled 《國際金融》 (International finance*) was awarded as 國家教學成果二等獎 (National Educational Achievement Award – Second Class*) by Committee of Education of the PRC. In May 2002, Mr. Chen Ping's paper entitled 《上市公司兼併與收購的財富效應研究》 (Study on the effect of merger and acquisition of listed companies on wealth*) was selected for the Best Paper Award of the 9th Global Finance Association Annual Conference by the 9th GFA Annual Conference Program Committee. In 2005, Mr. Chen Ping's teaching materials entitled 《教學國際化的探索與實踐》 (Exploration and practice of educational internationalisation*) was awarded as 廣東省教學成果一等獎 (Guangdong Province Educational Achievement Award – First Class*). In 2006, Mr. Chen Ping was selected as nominee for 教育部新世紀優秀人才支持計劃 (Ministry of Education New Century Outstanding Person Support Scheme*). In 2007, Mr. Chen Ping received 寶鋼優秀教師獎 (Bao Steel Outstanding Teacher Award*). Mr. Chen Ping acted as an independent director of 深圳市中金嶺南有色金屬股份有限公司 (Shenzhen Zhongjin Lingnan Nonfermet Company Limited*), a company listed on the Shenzhen Stock Exchange, for six years until June 2008. Since January 2009, Mr. Chen Ping has been acting as an independent director of 廣晟有色金屬股份有限公司 (Rising Nonferrous Metals Share Co., Ltd.*), a company listed on the Shanghai Stock Exchange. Mr. Chen Ping is not related to our executive Directors, Mr. Chen, Ms. Chen Zhao Nian and Ms. Chen Zhao Hua.

Mr. LIANG Guo Yao (梁國耀), aged 51. Mr. Liang was appointed as an independent non-executive Director on 23 January 2010. Mr. Liang completed professional courses specialising in economics in 中共廣東省委黨校 (Zhonggong Guangdong Sheng Wei Dang Xiao*) in July 1992. From June 2003 to July 2006, Mr. Liang worked as Committee Secretary and National People's Congress Chairman of Shiji Town, Panyu, Guangdong, Province, the PRC. Mr. Liang was then responsible for the strategic planning for major matters of Shiji Town, Panyu, Guangdong Province, the PRC such as those in relation to economics, laws and politics, social order and human resources arrangement. In March 1996, Mr. Liang was appointed as Mayor of Dagang, Panyu, Guangdong Province, the PRC in the 1st Meeting of the 14th People's Representative Congress of

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Dagang town, Panyu, Guangdong Province, the PRC who was responsible for the overall planning and implementation for the social and economical development of Dagang, as well as considering and if thought fit granting approvals for major infrastructure proposals at Dagang. Having been a government official serving at the local government in the PRC for over 30 years since 1975 until his retirement in 2006, Mr. Liang has gained profound management experience in the public sector.

Mr. SEE Tak Wah (施德華), aged 46. Mr. See was appointed as an independent non-executive Director on 23 January 2010. Mr. See graduated from the Management School of Waikato University in New Zealand with a first class honours in Bachelor of Management Studies and is a member of the Institute of Chartered Accountants of New Zealand and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. See has over 20 years' experience in financial and general management where he previously worked as the regional business controller of Nokia Mobile Phones Asia Pacific, the managing director of Nokia Mobile Phones Hong Kong, the chief operating officer of First Mobile Group Holdings Limited and held key management position in the North Asia offices of Philips and Siemens. Mr. See was an independent non-executive director of First Mobile Group Holdings Limited (Stock code: 0865) and resigned from such post with effect from 2 December 2009. Mr. See is currently running his own strategic consultancy business. In addition, he currently serves as an independent non-executive director of Buildmore International Limited (Stock Code: 0108) and Sun East Technology (Holdings) Limited (Stock Code: 0365).

SENIOR MANAGEMENT

Mr. WANG Lishu (王利樹), aged 52. Mr. Wang joined PCKSP in June 1994 as deputy director in charge of production and now serves as its chief engineer and director responsible for technical research and development at PCKSP. Prior to his promotion to serve as PCKSP's chief engineer, Mr. Wang had previously assumed various posts at PCKSP such as its engineer, vice director at its branch factory for the manufacturing of welded steel pipes and its assistant chief engineer. At PCKSP, Mr. Wang has been in charge of the installation, tuning and testing of the ERW steel pipes production line, JCOE production line and UOE production line. In 1982, he graduated from 西安礦業學院 (Xi'an Mining Institution*), the PRC, and majored in mechanisation of coal mine, and was recognised as senior mechanical engineer by 廣東省人事廳 (Guangdong Provincial Bureau of Personnel*) in 1998. In 1996, "Pressure ERW Steel Pipe Products" in which Mr. Wang participated in designing was awarded as 廣東省優秀新產品獎 (Outstanding New Product Award of Guangdong Province*). In 1997, "Research & Manufacturing of Pressure ERW Steel Pipes" in which Mr. Wang participated in designing was awarded the 2nd class prize by 廣東省重化工廳 (Guangdong Provincial Bureau of Heavy Chemical Industry*) and 廣東省市科技局 (Guangzhou Municipal Bureau of Science and Technology*). Mr. Wang was appointed as member of 全國標準化技術委員會委員 (National Standardization Technology Committee*) in 2003. In 2004, Mr. Wang was granted the qualification by the People's Government of Panyu District to enjoy special governmental subsidy. In 2006, he was accepted as member of 中國金屬學會軋鋼分會第五屆焊接鋼管學術委員會 (the 5th Academy Committee of Welded Steel Pipes under Steel Rolling Branch of China Metal Association*). In 2006, Mr. Wang acted as member of the editorial board of the magazine 《鋼管》 (Steel Pipe*). In 2007, Mr. Wang was granted the silver award at 第十六屆全國發明展覽會 (the 16th China Invention Exhibition*) for recognition of his welded pipes production technique patent in 2006, and was elected as the winner of 科學技術獎一等獎 (The First Prize of Science and Technology Awards*) by 廣州市人民政府 (Guangzhou Municipality People's Government*). In 2007, Mr. Wang was employed as deputy director of 廣東省鄉鎮企業協會 (the Committee on The Teaching of Science under the Guangdong Township Enterprises Association*) and was honoured as 番禺區科技創新帶頭人 (Technology Innovation Pioneer in Panyu District*) by 廣州市番禺區科技工作領導小組 (Guangzhou City Panyu District Technology Work Leading Committee*). In 2008, Mr. Wang was appointed as a committee member of the assistant supervisor of 全國鋼標準化技術委員會鋼管分會技術委員會 (Technical Association of Steel Pipe Branch of National Technical Committee for Steel Standardization*).

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Mr. LI Junqiang (李軍強), aged 37. Mr. Li joined PCKSP in July 1995 as a technician and thereafter acted as research engineer and manager of general planning. He is now the vice general manager of PCKSP in charge of procurement and logistic management. In 1995, he graduated from 北京科技大學 (University of Science and Technology Beijing*), the PRC, and majored in ferrous metallurgy, and was recognised as a mechanical engineer by 廣州市人事局 (Guangzhou Municipality Bureau of Personnel*) in 2005. In 2007, Mr. Li was elected as the winner of 科學技術獎一等獎 (The First Prize of Science and Technology Awards*) by 廣州市人民政府 (Guangzhou Municipality People's Government*). Mr. Li has over 13 years of experience in the ferrous metallurgy industry.

Mr. HU Chung Ming (胡宗明), aged 37, joined our Group in September 2009 and acted as the chief financial officer and company secretary of our Company. Mr. Hu is responsible for overseeing our Group's financial planning and management. Mr. Hu has over 7 years of experience in finance control and accounting through his prior employments. He acquired auditing experience through his prior employment with an audit firm of international repute from January 1997 to March 2000. He also worked as the chief financial officer of China Flexible Packaging Holdings Limited, a company listed on the Singapore Stock Exchange, from February 2003 to June 2007, where he acquired experience in finance control, accounting and company secretarial matters. Mr. Hu graduated from the University of Queensland in Australia in December 1996 with a bachelor's degree in commerce and has been a certified practicing accountant of the Australian Society of Certified Public Accountants since March 2000. Mr. Hu has also been a fellow member of the Hong Kong Institute of Certified Public Accountants since 1 January 2010.

Ms. LIU Yonghe (劉咏荷), aged 40, joined PCKSP in June 1994 and had worked as accounting staff and financial manager. Ms. Liu has built up profound experience in financial management, accounting and auditing during her employment with PCKSP for over ten years. Ms. Liu is now the vice general manager and a director of PCKSP, responsible for cash flow and working capital control. She completed her professional accounting education at Lanzhou University of Finance and Economics, the PRC, in 1990 with a bachelor's degree in Economics and obtained the professional qualification as assistant accountant in 1991. Ms. Liu has over 19 years of experience in the accounting and finance industry. She was awarded as the "March 8th Flag Bearer" in 1999 and 2002, respectively, and the post she held was awarded as the *Women's Exemplary Post* by the Guangzhou Women's Union in March 2005. In October 2009, Ms. Liu obtained a master's degree in the Executive Master of Business Administration (EMBA) programme at the Asia International Open University (Macau).

Mr. XU Qilin (徐啓林), aged 52, joined PCKSP in January 2001 and had worked as mechanical engineer and vice production manager. Prior to joining PCKSP, Mr. Xu worked at 荊州機床廠 (Jingzhou Machine Tool Factory*) for about 18 years during which he took up several posts, including vice department head of the craftsmanship department, department head of the technical department and branch factory director. With his experience in machinery construction, Mr. Xu received awards for his performance. With PCKSP, Mr. Xu has participated in the refinement project of the UOE production line, and also led the construction project of PCKSP in connection with the JCOE production line in Zhangjiagang, Jiangsu Province, the PRC in 2006 and 2007 as well as the construction project of the JCOE production line in Jiangyin, Jiangsu Province, the PRC in 2008 and 2009. Mr. Xu is now the vice general manager of PCKSP, responsible for production management. He completed his bachelor's degree in machinery manufacturing at Wuhan Polytechnic University, the PRC, in 1982 and became a senior engineer in March 1995. Mr. Xu has over 26 years of experience in machinery manufacturing. He was awarded as *Excellent Non-local Worker* in Panyu, Guangzhou in October 2006.

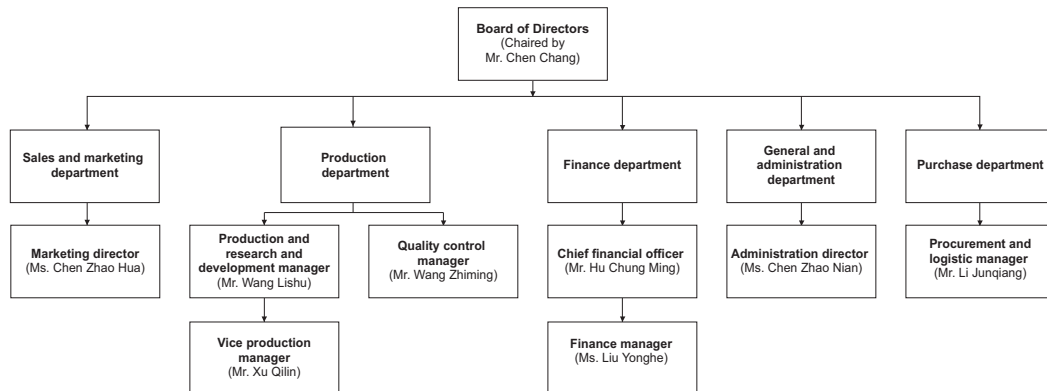
Mr. WANG Zhiming (王志明), aged 47, joined PCKSP in 1997 and had worked as quality engineer, quality manager and quality controller. Mr. Wang has participated in the construction project of the JCOE (Panyu) production line and UOE production line of PCKSP, and is primarily responsible for the manufacturing, installation and testing of quality control device for the production lines in PCKSP. In 2003, Mr. Wang was appointed as an assistant to the general manager of the PCKSP and has gained experience for the sales and marketing of PCKSP's products in the PRC. Mr. Wang is now the vice general manager of PCKSP, responsible for quality control and domestic sales. He completed his professional non-destructive testing education at Kunming University, the PRC, in 1987 and obtained a Grade III qualification in aerospace non-destructive ultrasonic testing in 1989. Mr. Wang was elected as the winner of 科學技術獎一等獎 (The First Prize of Science and Technology Awards*) by 廣州市人民政府 (Guangzhou Municipality People's

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Government*) in 2007, and was awarded 科技進步獎三等獎 (The Third Prize of Technology Advancement Award*) by 中國石油和化學工業協會 (China Petroleum and Chemistry Industry Society*) in 2009. Mr. Wang has over 20 years of experience in non-destructive testing and quality control.

ORGANISATION STRUCTURE

The following diagram illustrates our organisation structure as at the Latest Practicable Date:



COMPANY SECRETARY

Mr. HU Chung Ming (胡宗明) is our company secretary and is an ordinary resident in Hong Kong as required under Rule 8.17 of the Listing Rules. For details of Mr. Hu's background, please refer to the paragraph headed "Senior management" above in this section.

AUDIT COMMITTEE

We established an audit committee on 23 January 2010 in compliance with Rules 3.21 and 3.23 of the Listing Rules. The audit committee consists of three independent non-executive Directors, namely Mr. Chen Ping, Mr. Liang Guo Yao and Mr. See Tak Wah. Mr. See Tak Wah is the chairman of the audit committee. The primary duties of the audit committee are to review and supervise the financial reporting process and the internal control procedures of our Group.

REMUNERATION COMMITTEE

We established a remuneration committee on 23 January 2010 in compliance with Appendix 14 to the Listing Rules. The remuneration committee consists of three members, namely Mr. Chen Ping, Mr. Liang Guo Yao and Mr. Chen Chang. Mr. Liang Guo Yao is the chairman of the remuneration committee. The primary functions of the remuneration committee are to make recommendations to the Board on the remuneration of our Directors and senior management and determine on behalf of the Board specific remuneration packages and conditions of employment for our Directors and senior management.

DIRECTORS' COMPENSATION

The aggregate amount of fees, salaries, pension scheme contributions, other allowances and benefits-in-kind paid by us to our Directors for each of the three years ended 31 December 2008 and the eight months ended 31 August 2009 was approximately RMB632,000, RMB981,000, RMB1,256,000 and RMB836,000, respectively.

Save as disclosed above, no other payments had been paid or are payable by our Company or any of our subsidiaries to our Directors during the Track Record Period.

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DIRECTORS' INTERESTS

Save as disclosed above, each of our Directors (i) did not hold other positions in our Company or other members of our Group as at the Latest Practicable Date; (ii) had no other relationship with any Directors, senior management or substantial or controlling shareholders of our Company as at the Latest Practicable Date; and (iii) did not hold any other directorships in listed public companies in the three years prior to the Latest Practicable Date. As at the Latest Practicable Date, save as Mr. Chen's interests in the Shares which are disclosed in the section headed "Interest discloseable under the SFO and Substantial Shareholders" and the paragraph headed "Further information about Directors, management and staff and experts" in Appendix VI to this prospectus, each of our Directors did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, to the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, there was no other matter with respect to the appointment of our Directors that needs to be brought to the attention of the Shareholders and there was no information relating to our Directors that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules as at the Latest Practicable Date.

STAFF

As at the Latest Practicable Date, we had a total of 1,816 full-time staff in the PRC and Hong Kong. The following sets forth the total number of our staff by functions:

	Total number
Management	24
Production and logistics	1,075
Sales and marketing	32
Finance	15
Quality control	372
Research and development	45
Procurement	29
General administration and others	224
Total	1,816

Relationships with our employees

We have not experienced any significant problems with our employees or disruptions to our operations due to labour disputes, nor have we experienced any difficulties in the recruitment and retention of experienced employees during the Track Record Period. We believe we have a good working relationship with our employees.

Our Directors believe that our professionals are significant to our success and sustainable development. In order to keep them abreast of the latest development of technology and management, we second our senior managers and research and development team members to further studies on a regular basis. Under the auspice of our Group, 20 executive staff obtained a diploma from the 卓越總裁領導力高級研修班 (Distinct Director Advanced Course*) of 中山大學 (Sun Yat-Sen University*) in 2009. Four executive staff passed the dissertation of master's degree in business administration in 亞洲 (澳門) 國際公開大學 (Asia International Open University (Macau)*) in October 2009 and graduated with a master's degree in business administration in December 2009. The other 16 executive staff are expected to submit their dissertations in early 2010 and are expected to graduate with a master's degree in business administration in 2010. On the other hand, seven technical staff are attending the engineering master class in 西安交通大學 (Xian Jiaotong University*). In 2008, our Group organised an adult workers education (university) course with 番禺區成人教育中心 (Panyu Adult Learning Centre*) and 韶關學院 (Shao Guan College*) and currently there are 53 staff members attending university level course in mechanics.

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Compensation

Compensation of our employees includes salaries, contributions to housing fund and contributions to pension scheme. For each of the three years ended 31 December 2008 and the eight months ended 31 August 2009, our Group incurred staff costs (including Directors' remuneration) of approximately RMB21.3 million, RMB30.5 million, RMB72.6 million and RMB47.0 million, respectively, representing approximately 1.9%, 2.0%, 2.8% and 2.3%, respectively, of our Group's turnover.

Benefit schemes

We comply in all material aspects with all statutory requirements on retirement contribution in the jurisdictions where we operate. We have contributed retirement benefits for our staff in the PRC in accordance with the applicable PRC rules and regulations. We have enrolled on a mandatory provident fund scheme for our employees in Hong Kong in accordance with the applicable Hong Kong laws and regulations.

Share Option Scheme

We have conditionally adopted the Share Option Scheme whereby such selected classes of participants (as more particularly described in Appendix VI to this prospectus) may be granted options to subscribe for Shares at the discretion of the Board. The principal terms of the Share Option Scheme are summarised under "Share Option Scheme" in Appendix VI to this prospectus.

COMPLIANCE ADVISER

We will appoint ICBCI as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance adviser will advise us in the following circumstances:

- before the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be a notifiable or connected transaction, is contemplated including shares issues and shares repurchases;
- where we propose to use the proceeds of the New Issue in a manner different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecast, estimate, or other information in this prospectus; and
- where the Stock Exchange makes an inquiry of us regarding unusual movements in the price or trading volume of our Shares.

The term of the appointment shall commence on the Listing Date and end on the date on which we distribute our annual report in respect of our financial results for the first full financial year commencing after the Listing Date and such appointment may be subject to extension by mutual agreement.