Natural Resources

# Shen Wenrong

*Shagang Group*

Photo Source: Imagine China

Shen is viewed as the Andrew Carnegie of China's steel industry

Shen Wenrong was born to a rural family in Jiangsu's Lianyungang in 1946. He left the farm to work in a state-owned textile factory – quickly moving up from manual labour to management.

## Getting started

In the early 1990s Shen took over the factory and began to expand its business. His first decision: he built a blast furnace because the factory needed steel.

With the new furnace up and running, Shen started to make steel window frames in anticipation of a building boom. He was right, and he became a major player in this niche section of the market.

## Growth

Shen started buying up nearby steel mills, but the local supply wasn't enough and so he looked overseas. He first bought a small mill in England. And then, in 2001, he launched the deal that made him famous in Germany – the purchase of the ThyssenKrupp steel mill in Dortmund.

German media referred to the deal as the "ultimate Chinese takeaway", and for good reason. Shen went about dismantling the plant and shipping all 250,000 tonnes of it to Zhangjiagang in Jiangsu province, near Shanghai. He paid just $24 million for the lossmaking mill, and another $12 million for the transportation, but a whopping $1.2 billion for its reconstruction. In the end, the new plant doubled his steel output for just 60% of the cost of building a new plant.

## Need to know

Compared to many of his competitors who had borrowed money to buy expensive equipment from abroad, Shen's second-hand plant put him in a good position to face the financial crisis. As demand for steel dried up, Chinese mills bled money – except for Shen's, which bucked the trend.

Shen continued to expand via more acquisitions. But a new disquieting concern emerged, the national trend of *guojinmintui* (which can be translated as "the state advances as the private recedes"). It is a trend that became particularly prevalent in the steel industry – one company, Rizhao Steel, got into a long- running tussle with the local government in Shandong as it tried to acquire it from its reluctant owner. Shen, however, is adamant that he will survive: "If only two steel companies survive in China, I must be one of them."

In 2012 Shen's company, Shagang Group, went public via a backdoor IPO, by taking over a listed state-owned company and injecting its own capital into the target. Hurun's 2015 China Rich List puts his net worth at Rmb22 billion.

**Key info**

Shagang reported a profit of Rmb1.9 billion in 2015 while most state-run rivals remained lossmaking.

**Year born**

**1946**

Natural Resources

# Wang Yusuo

*ENN Group*

Born in 1964 in Hebei province, Wang Yusuo took China's university entrance exam three times. He then gave up on academia, starting a small business selling seeds and beer. In 1986 he changed direction again, selling bottled gas.

## Getting started

Wang's background selling gas gave him a network of industry contacts that proved invaluable in the early 1990s. At the time the central government was slowly deregulating the downstream gas industry. However, the domestic duopoly of CNPC and Sinopec didn't bother to invest heavily in the industry's last-mile segment: providing fuel gas for households.

Wang sensed a giant market would soon develop. He set up ENN (then known as Xinao), bought interests in a few small gas fields in Hebei while winning control to supply gas to the households in a new development zone in Langfang. The project was the first of its kind in Hebei province.

## Big break

ENN's business grew in Hebei and in 1999 Wang moved into gas distribution in Shandong and Liaoning. Additionally, he began building LPG filling stations for taxis and other vehicles.

Wang listed ENN in Hong Kong in 2001. With its growth fuelled by China's urbanisation drive, ENN has since developed into one of the largest private energy firms in the country. It now provides natural gas to more than 150 cities and is building China's first privately-run LNG receiving terminal in Zhejiang. As of August 2016, ENN's market capitalisation stood at $6 billion, or nearly 50 times its value in 2001. According to New Fortune magazine, Wang is worth Rmb22 billion.

## Need to know

In December 2011 it made a hostile $3.3 billion bid – in partnership with oil major Sinopec – for China Gas. The deal would have cemented ENN's place as China's biggest private gas firm. However, China Gas countered with a surprise move. It introduced Beijing Enterprises, a state firm backed by the Beijing municipal government, as a strategic shareholder.

The buyout offer lapsed a year later. Instead of teaming up with ENN, Sinopec and China Gas joined forces to create a new joint venture of their own.

ENN has since expanded into other business areas including solar energy, clean coal chemical technology and even marine tourism.

**"If one day ENN's clean energy solutions can be accepted by people around the world, then our future will be in Europe, America and Africa"**

**Key info**

ENN powers the households in 152 cities, and sold 11.3 billion cubic metres of fuel gas in 2015.

**Year born**

**1964**

Photo Source: Imagine China

Natural Resources

# Yao Junliang

*Meijin Group*

Yao Junliang is yet another of China's business tycoons who was born into an impoverished background – this time in Shanxi province in 1952. In his youth he worked as one of Mao's "barefoot doctors". He spent 13 years providing basic medical care at rural health clinics, and advising on hygiene and family planning in the countryside.

## Getting started

Shortly before he turned 30 Yao switched tack, borrowing money to purchase two second-hand trucks. His plan was to offer the only motor transport for hire in his rural neighbourhood. For the first year, Yao and his two brothers drove day and night, transporting coking coal (which is used as a fuel in smelting iron ore in blast furnaces).

The Yao brothers became better known, and in 1983 they were offered a transport contract by a local coking plant. Yao used the deal to expand, clubbing together with other villagers to buy more trucks. With a fleet of 20 or so vehicles at his disposal, he then heard that state-owned smelters in southern China were running short of coking coal.

But road transport costs from Shanxi meant it was unprofitable to supply the south this way. So he leased railway wagons to deliver the coal instead. The venture was a success. Yao signed more supply contracts with steel mills and chemical plants. By 1988 he was transporting coking coal by train and truck to a series of clients from his operational base in Taiyuan in Shanxi.

## Coal baron

In 1993, Yao diversified again, investing in a coal gasification project with the local government to provide gas to the citizens of Taiyuan.

Meijin Group today is a diversified enterprise with a presence at various points in the coal supply chain. It continues to specialise in the production and distribution of coking coal and is the biggest private manufacturer of coking coal in China, with reported resources of over two billion tonnes.

In 2007 a unit of Meijin went public in Shenzhen via a backdoor listing. As of August 2016 the company's market value stood at Rmb34 billion. Much of his wealth is concentrated in real estate.

## Going global

Meijin is also an active investor in Australia's mining sector. In 2007 it invested in a coalmine project in Queensland's Galilee Basin. In 2011 the company said it planned to build a multibillion dollar operation that would export up to 60 million tonnes of coal a year from 2015. However, there have been no updates on this target from the company – with analysts speculating that export activity has not reached these heady heights because of the weakness in coal prices.

Photo Source: Imagine China

**He runs China's biggest private coking coal firm**

**Key info**
Meijin Energy carried a market value of Rmb34 billion in August 2016

**Year born**
**1952**

Natural Resources

# Li Zhaohui

*Highsee Iron & Steel*

Li Zhaohui is a name that couldn't be avoided when studying the succession planning of Chinese tycoons.

The *fuerdai*, or second generation rich, grew up in a privileged environment. Li was sent abroad to study business management at Australia's Monash University. In 2003 he was forced to drop out: his buccaneering father Li Haicang, known as 'Shanxi's Steel King', was assassinated by a business partner.

## The richest young man

At 22, he inherited a multi-billion yuan business empire Highsee Iron & Steel (formerly Haixin). When Li took over, he was understandably uncertain as to whether he could cope. Initially his uncle acted as 'regent' alongside Highsee's vice-chairman, and there was speculation that Li would be a figurehead. However, within a few months he'd sidelined them and emerged as the group's taipan.

The early signs were that Li had also inherited the business acumen of his father. When the deadly virus SARS was ravaging investment sentiment across the country, Li decided to expand out of Shanxi. He inked a Rmb8 billion deal to build a steel plant in Guangxi. In 2004 Highsee also won a contract to provide all the steel for the Ningbo-Hangzhou Bridge, the longest of its type in the world.

Li Haicang was a steel tycoon through and through, but the younger Li saw opportunities in financial diversification. Both he himself and Highsee began to invest in China's volatile stock market. For example, Li inherited a stake in Minsheng Bank from his father and by 2004 he'd raised the stake to 3.1%.

According to New Fortune magazine, in the pre-crisis period Li made more than Rmb4 billion in investment gains. Together with the growth in Highsee's market value, Li was dubbed 'China's richest young man'. In 2010 he married the famous actress Che Xiao.

## Back down to earth

China's steel industry entered a prolonged bear market in 2008. As bank financing also dried up, Highsee went under in 2014 and the company is now undergoing a major restructuring.

## Li's comeback?

Both Hurun and Forbes have dropped Li from their rich lists since 2014. But as a famous Chinese idiom goes, even a broken ship has three kilos of steel. Perhaps outsiders shouldn't rule out a comeback from Li, who might be poorer but will certainly be wiser.

Meanwhile, National Business Daily has reported that Li's sister has helped the bankrupt Highsee to restructure.

Li is the only *fuerdai* we have included in this book, but in future editions – as the founding tycoons retire or pass away – more heirs to the family business will appear.

Photo Source: Imagine China

**He took over the family firm in strange circumstances: his father was assassinated**

**Key info**
Before 2008 Highsee was China's biggest private steel mill.

**Year born**
**1981**

# Zhou Furen

Natural Resources

*Xiyang Group*

Born in 1951, Zhou Furen started out as the 'production captain' of his hometown, Xiyang village in Liaoning province. He was an early success: local incomes doubled thanks to Zhou's decision to focus less on farming, and more on exploiting the local abundance of magnesite ore.

## Getting started

In 1988, Zhou set up a company that would evolve into the firm that he is most closely associated with today, the Xiyang Group. In its first year, it exported $7.2 million worth of magnesia. Zhou then decided that high-quality magnesia was the way forward.

The strategy faced setbacks. The first batch of 98%-pure magnesia sold poorly, and the remaining stock was put aside in a warehouse. But Zhou still believed in the product – so much so that by 1994, the Xiyang Group's production capacity of high-quality magnesia was half of the world total.

## Big break

Around the same time, foreign smelters started using high-quality magnesia. Zhou's ability to provide supply meant that he was in the perfect position to exploit this new trend. In 1995, the group's sales hit Rmb500 million for the first time.

In 1997, the Xiyang Group was sold to Zhou. With the magnesia market cornered, the next step was to find new industries in which to invest. The Xiyang Group's rural origins made fertiliser an obvious choice. In 2000, Zhou established one of China's largest compound fertiliser production bases; and in 2003, the subsidiary made Rmb300 million worth of profit.

Breaking into the steel industry became another of Zhou's interests. In 2002, he started his own steel company in Xiyang and began buying up local mills. But in 2005, the government started restricting the construction of new large steel plants, scuppering his plans to become a domestic powerhouse.

## Meeting Kim Jong-il

Zhou changed tack and looked overseas to iron ore businesses in Russia and North Korea. In 2008, he accompanied the former premier, Wen Jiabao on a visit to Russia, and he also met Kim Jong-il and agreed to build an iron ore facility in North Korea. But in 2012 the company openly complained that its North Korean partners demanded changes to the contract, and when they refused the plant was closed and the workers deported, resulting in a $40 million loss. (Pyongyang rebuked the accusations.)

## Need to know

Despite being one of Liaoning province's richest men, Zhou maintains close ties with his rural birthplace – he still has the role of Xiyang village's Party boss. Under Zhou's leadership Xiyang has transformed itself into one of China's wealthiest villages.

Photo Source: Imagine China

**He's also the Party boss of his native village**

**Key info**
Zhou was worth Rmb10 billion in 2015 according to the Hurun Rich List.

**Year born**
**1951**

Natural Resources

# Huang Zelan

*Zhangyuan Tungsten*

Huang Zelan has been working the land all his life. Born to a rural family in Gannan, a mountainous area in southern Jiangxi province, he started doing farm work when he was 11.

## Getting started

It wasn't until 1984, when he was 29, that Huang found a better way to turn a profit from the earth. Gannan has a reputation as a tungsten hotbed and when Huang saw others making money from local mineral resources he started searching for tungsten himself, albeit in rather primitive prospecting-style.

## It's all mine

In 1989, Huang began to upscale his operations as the county government was starting to lease some of its mining sites. Huang promptly raised Rmb5,000 (a larger sum at the time than it sounds today) and used it to start excavating the Guantian mine. He managed to become a successful local businessman.

## Growth

The next step was to take on another challenge. In 1994, when the local government leased the larger Taoxikeng mine, Huang again bid for the project. His new charge was in dire straits: 100 years-old but deep in debt, and having failed to pay wages for months.

Huang borrowed from the bank, laid off staff (streamlining the workforce from 18 departments down to two) and began to invest in new equipment. In 1996 he rented the county's metallurgical and chemical plant (he subsequently bought it in 1999) allowing him to process more of the raw materials that his firm was digging up. This meant he could produce value-added alloy and carbide products, which he now exports to more than 20 countries.

## Need to know

In 2000, Huang established Chongyi Zhangyuan Tungsten Products. A year later it was transformed into a private enterprise that integrated the entire production process – from mining, through smelting and on to the sale of the finished product.

In 2010, the company went public in Shenzhen. In the following year its market value surged past Rmb20 billion. That helped cement Huang's reputation as 'Jiangxi's richest man' thanks to his more than 80% stake in his mining firm. However, Zhangyuan Tungsten's share price has dropped about 50% from its peak. Hurun's 2015 China Rich List put his net worth at Rmb12 billion.

Photo Source: Imagine China

**He's the richest man in Jiangxi**

**Key info**
Huang was worth Rmb12 billion according to the 2015 Hurun Rich List.

**Year born**
**1955**

Natural Resources

# Sun Guangxin

*Guanghui Group*

Sun Guangxin, chairman of Guanghui Industry Investment and dubbed "Xinjiang's richest man", has a few things in common with Rabiya Kadeer, previously thought to be the wealthiest woman in Xinjiang.

Both rose from humble origins, riding on Beijing's efforts to modernise the area. Both have tamed parts of Xinjiang's rough geography into massive property portfolios. But the big difference is that Kadeer, a former legislator and erstwhile exemplar of China's multi-ethnic harmony, is in exile. Sun has proven far better at cultivating his political connections.

## Getting started

Sun was born in 1962 in Urumqi, where his Shandong-native father was working as a cobbler. He joined the People's Liberation Army straight out of school but left before he was 30, starting his own business in 1989. According to James Millward's *Eurasian Crossroads: A History of Xinjiang*, Sun's seed money included a $400 demobilisation reimbursement and reportedly a $50,000 loan secured via a Japanese cotton deal.

## Big break

Sun's first success, like Kadeer's, was setting up restaurants. But he got his next big idea at the dining tables of his eateries. Many of his high-rolling customers were oilmen and officials, and Sun began to develop contacts in an oil industry that would become Xinjiang's economic driving force. He started trading oil exploration equipment as well as parts and by 1992 his 17-person firm accounted for one sixth of Xinjiang's oil equipment trades.

Sun expanded into real estate in 1993, building some of the tallest buildings in Urumqi. His company Guanghui remains the biggest developer in Xinjiang as well as the biggest privately-controlled energy firm, with upstream assets in natural gas and oil exploration.

## Need to know

As Sun's enterprises grew, he employed many former senior army officers within his company's ranks. Within the firm there is a Communist Party organisation and initially he let other Party members enjoy positions senior to his own (Sun only became the Party secretary at the company in 2011).

As of 2015 Guanghui had an asset size of Rmb165 billion, hiring more than 80,000 staff. New Fortune magazine says Sun is worth Rmb26 billion – though his personal fortune would be much bigger, had he not distributed a 25% stake of Guanghui's Shanghai-listed unit to other senior management.

## And to relax

Sun stays fit by playing basketball and is the sponsor of the Xinjiang basketball club the Flying Tigers. Sun once described himself as a workaholic akin to "a donkey welded to a stone grinder".

But he also spends much of his spare time these days on calligraphy and collecting fine Chinese art.

Photo Source: Imagine China

**Sun is widely known as Xinjiang's richest man**

**Key info**
Guanghui Group had more than Rmb165 billion in assets as of 2015.

**Year born**
**1962**

# Chen Ningning

*Pioneer Metal*

Natural Resources

*Fuerdai* means rich second generation and *guanerdai* refers to the children of government officials. Meanwhile there is a more powerful group of princelings known as *hongerdai,* whom are the offspring of China's revolutionary leaders.

Chen Ningning belongs to the last grouping. Going by the English name of Diana, Chen is known locally as the "Steel Princess". The nickname comes from her family ties to the steel and mining industry. But it is also said to stem from Chen's success in cutting determined deals with her (mostly male) counterparts.

## Getting started

Chen, who was born in 1971 in Beijing, is the granddaughter of Lu Tong, a former mining minister and a key official in the shaping of China's steel industry after 1949. She obtained an MBA from the New York Institute of Technology in 1994 and worked briefly as a fund manager for a US firm. Then, at the age of 25, she founded Pioneer Metal Company (PMC) alongside her mother (Lu Tong's daughter) in Hong Kong.

PMC went on to become one of the more successful mineral traders in Asia. At one stage it claimed to account for 10% of the iron ore imported into China. But PMC's real skill lay in a flurry of successful pre-IPO investments, enhancing the group's business and helping expand Chen's fortune.

## Big Break

In 1997 PMC invested in Inner Mongolia Baotou Steel Rare-Earth, becoming the steelmaker's second biggest shareholder. It listed in Shanghai in the same year. PMC's 10% stake was worth Rmb9.5 billion as of August 2016.

In 2002 PMC cut a similar deal with China Oriental Group which went public in Hong Kong two years later. PMC then sold its 28% stake to Lakshmi Mittal's ArcelorMittal for $640 million in 2007 (the acquisition cost has been estimated at less than a tenth of that amount). According to Hurun's 2015 China Rich List, the net worth of Chen and her mother was Rmb8.5 billion.

## Need to know

Chen sold to Mittal after falling out with China Oriental's controlling shareholder, and the tussle pushed her low-key profile into the spotlight, amid accusations flying between the various disputants. She emerged as one of the country's richest female tycoons.

Chen is now becoming more active in politics. She is the honorary president of the Y.Elites Association, a think tank with a membership largely comprised of the sons and daughters of Hong Kong's business leaders. The association, which says its mission is to "deepen Hong Kong youngsters' understanding of China" arranges for Hong Kong locals to attend courses offered by the State Council-run China Academy of Governance.

Photo Source: Imagine China

**Chen's grandfather was the minister who helped shape China's steel industry after 1949**

**Key info**
The 2015 Hurun's China Rich list put Chen and her mother's net worth at Rmb8.5 billion.

**Year born**
**1971**

Natural Resources

# Du Shuanghua

*Rizhao Steel*

Du is reckoned to be the quintessential Chinese entrepreneur

## Getting started

Born in 1965 in Hebei, Du Shuanghua could be called the quintessential Chinese entrepreneur, prospering not so much in spite of state intervention but because of it.

Du's father was a sales director for state-owned Shougang Group. When young Du left high school and took a job at his father's firm instead of going to university, he got an early introduction to the steel industry. By 1991, when he was just 22, Du had started his first steel firm by acquiring a state-owned steel factory in Beijing, which he was allowed to pay for in instalments as the business generated cash. He then started another steel venture in his hometown. By 2003 his combined businesses had half of the national market for steel pipes.

## Big break

In 2003, he cut a deal with the city government of Rizhao in Shandong to build a world-class steel mill. And access to credit was once again the order of the day – Du is thought to have stumped up just $24 million to build the mill, with the remaining 90% of debt supplied by local banks.

Critically, Rizhao Steel also managed to access inexpensive iron ore in spite of its lack of an import license. That advantage was revealed during the trial of four Rio Tinto employees in August 2009. Local media said Du's written deposition admitted paying one of the defendants (Wang Yong) at least $9 million – allegedly in order to receive relatively cheap ore.

## Great escape

No charges were brought against Du himself but he was soon struggling to fend off rivals' interest in his empire. He signed over two-thirds of Rizhao to Shandong Steel, in what looked like a forced sale to the local government-backed enterprise. The deal was viewed as yet another example of encroaching state capitalism and a further blow to China's private sector. But Du somehow has managed to hold onto control of Rizhao by swapping assets with other state firms. Until today negotiations remain drawn out and are yet to conclude.

## Need to know

If his corporate affairs sound highly complex, try his marital status. In 2011 his wife (or ex-wife) Song Yahong filed a divorce suit in Beijing after being told that she "had been divorced" from her husband by a Hebei court 11 years earlier. Song claimed she was unaware of the alleged divorce, and demanded half of the (then) Rmb50 billion worth of assets held by Du. Dubbed "China's most expensive divorce suit", Chinese media said there is still no final ruling on how the pair would split their assets.

Photo Source: Imagine China

**Key info**
Du is worth Rmb19 billion according to Hurun's 2015 China Rich List.

**Year born**
1965

Natural Resources

# Sit Kwong-lam

*Brightoil Petroleum*

It has been difficult for China's private energy firms to compete head-to-head with the trio of state-controlled oil companies. But feasting on the breadcrumbs of the giants has still been enough to make Brightoil Petroleum's chairman Sit Kwong-lam a billionaire.

## Getting started

Sit was born in Anhui in 1967. Besides having a doctoral degree in philosophy from the University of Nanjing, little else has been made public on his upbringing.

Like many other rag-to-riches stories, Sit was among one of the massive herd of moneyless young men who went to Shenzhen in 1992 to try his luck. He made his first bucks by trading pagers. A year later and aged 26, Sit founded Brightoil and ventured into the energy business – fortuitously just as China became a net importer of oil.

In the very beginning Sit focused on the fringe businesses at the downstream, such as oil storage and trading of petroleum products – areas that the state majors such as CNPC weren't too bothered about. Gradually Sit built up his own merchandising and sales network. In 1999 Brightoil even secured a strategic agreement with CNPC, authorising Brightoil to provide storage facilities and trading services for CNPC in southern China.

## Big break

In 2003 Sit was appointed as a political advisor to the Chinese legislature. His business career took off too as Brightoil was allowed to diversify along the industry chain. It began operating petrol stations in 2005. A year later, the company was approved by the State Council to supply foreign vessels with (tax-free) fuel in Shenzhen.

In August 2008, braving a tough market battered by the global financial crisis, Brightoil went public in Hong Kong via a backdoor listing. The company's market capitalisation has since more than tripled.

Brightoil has since grown into a diversified energy firm. It now runs China's biggest marine bunkering service, as well as an oil-transporting fleet that has a total capacity of more than two million tonnes.

With the central government now encouraging private capitalists to push into sectors previously dominated by state firms, Brightoil is moving upstream too. In February last year Brightoil paid $1.1 billion for oil and gas assets in eastern China's Bohai Bay from Anadarko Petroleum of Texas.

## Need to know

Sit says he sees new opportunities now that formerly state-dominated fiefdoms like the oil industry are being opened up to greater competition. "Why can't China have its own John Rockefeller?" he asked the media in 2012, suggesting his own ambitions in the sector are far from complete.

**He keeps asking why China can't have its own John Rockefeller**

**Key info**

Brightoil's market value stood at HK$22 billion as of August 2016.

**Year born**

**1967**

Photo Source: Imagine China

Natural Resources

# Li Xiangping

*Dongming Petrochemical*

Known as 'teapots', China's independent oil refineries have been gaining market share at the expense of state-owned energy majors. Dongming Petrochemical's Li Xiangping has been tipped by local media as one of the new 'oil barons' to watch.

### Getting started

Born in 1962, Li started as a government official in Dongming county in Shandong after graduating from a Party-run university. He climbed the ranks from the local audit bureau to become chief accountant of a refinery in Dongming, which later became Dongming Petrochemical.

In 2001 a Shanghai-listed firm offered Li a lucrative deal to leave the state-owned plant, which was on the verge of bankruptcy. Li decided to stay put and assumed chairmanship of the lossmaking venture. He was elected as a lawmaker in Shandong in 2003 and his political background helped in the turnaround at the refinery, which got bank loans to improve its production and distribution capacity. By 2008 Li had become a member of the National People's Congress and Dongming Petrochemical had grown into the largest private sector refinery.

(In typically Chinese style, the firm had morphed from state control to private ownership in a complex and not entirely transparent fashion.)

### Big break

The teapot refiner's fortunes began to broaden last year when the central government granted crude oil import licences to the private sector. Prior to this the teapots could only stockpile their supplies by buying from the likes of CNPC and Sinopec.

Li went a step further by writing a letter to Shandong's governor Guo Shuqing (known to be an advocate of market reforms), seeking approval to establish a trade body to help the 'teapots' strike better deals with foreign sellers. Li's wish was granted and in February Dongming became one of the 16 independent refiners to form a coalition for the import of oil. He was named the body's president.

By the end of last year, Dongming Petrochemical had grown its assets to about Rmb30 billion with a primary processing capacity of 15 million tonnes per year. The company is set to grow further following a deal last year which saw two firms from Qatar pay about $5 billion for a 49% stake in Dongming. The proceeds will be used to build a liquefied natural gas terminal in Shandong.

### Going downstream

Li is also targeting gasoline sales to motorists. In Shandong alone there are more than 6,000 privately-owned petrol stations, many of which may be bought up by the teapot refiners. Dongming says that it is planning to build 1,000 such retail spots in six provinces.

Photo Source: Imagine China

**He runs a 'teapot' refiner but could become an oil baron**

**Key info**
In 2015 two Qatari firms invested $5 billion for a 49% stake in Dongming, Reuters has reported.

**Year born**
**1962**

Natural Resources

# Wang Wenyin

*Amer International*

For many Chinese entrepreneurs the metal copper is often associated with unorthodox bank loans (a practice known as 'copper financing'). Wang Wenyin proves to be an exception. He has built the biggest privately-owned copper-wire business in China.

### Getting started

Wang was born in 1970 to a rural family in Anhui. After graduating from Nanjing University in 1989, he was given a job at a state petrochemical plant in Shanghai. Not content with a Rmb400 monthly salary, Wang went to Shenzhen in 1993 for a fresh start.

When months of unsuccessful job hunting reduced his net worth to Rmb10, Wang realised he had to restart from the very bottom. Eventually Wang joined a Japanese copper wire producer as a warehouse worker. His ability to memorise several thousands material codes impressed the bosses. Wang rose through the ranks quickly – seven promotions in one year – to become the sales manager.

Wang soon became dissatisfied. When his boss went against Wang's decision to maintain ties with a client with a patchy credit record he knew his time was up with the Japanese firm. He founded his own plant in 1996 to produce electric wires. That venture would grow into today's Amer.

### Big break

At the beginning Wang worked and lived with his employees in the factory. Amer grew so quickly that Wang had to open a new plant each year to meet surging orders.

Wang has timed the boom-and-bust cycle well. After the 1997 Asian financial crisis Amer expanded into the copper cable market.

During the 2003 downturn, Amer capitalised on falling land prices to acquire bigger production bases in Shenzhen. It also expanded upstream by taking over smaller copper mines in the country. After the 2008 global credit crisis, Amer grew its international exposure too through the acquisition of copper firms in Europe and the US.

With more than 15,000 staff, Amer's revenue in 2012 totalled $30 billion. But the low-profile Wang only shot to nationwide fame last year when Amer was named as one of the Fortune Top 500 firms, ranking 387th worldwide.

According to New Fortune magazine (a Chinese publication), in 2015 Wang was the 16th richest man in China with a net worth of Rmb40 billion, largely thanks to his 99% stake in Amer. In comparison, Jiangxi Copper, the biggest state-run copper firm, had a market value of around Rmb40 billion as of August 2016.

### Need to know

Wang likes collecting antique Chinese furniture and uses them to furnish Amer's Shenzhen headquarters.

He likes reading too.

Whenever Wang finds a good book, he orders several dozen copies, distributes them to his senior staff, and then requires them to write book reviews.

Photo Source: Imagine China

**Wang is the 16th richest man in China, his fortune founded on copper wire**

**Key info**
New Fortune magazine puts his net worth at Rmb40 billion, which is as much as the market value of state giant Jiangxi Copper.

**Year born**
**1970**