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## 首長國際企業有限公司

**SHOUGANG CONCORD INTERNATIONAL ENTERPRISES COMPANY LIMITED**

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 697)

### **CHANGE OF DIRECTORS**

#### **AND**

### **FURTHER INFORMATION IN RESPECT OF RE-ELECTION OF RETIRING DIRECTORS AT THE ANNUAL GENERAL MEETING**

The board of directors (the “Board”) of Shougang Concord International Enterprises Company Limited (the “Company”) announces that:

1. Mr. Cao Zhong (“Mr. Cao”) will cease to act as an Executive Director and the Managing Director of the Company with effect from 10 May 2010 and will ipso facto cease to be a member of each of the Executive Committee, the Nomination Committee and the Remuneration Committee from the same date. Mr. Cao will be redesignated as a Non-executive Director and the Vice Chairman of the Company with effect from 10 May 2010;
2. Mr. Li Shaofeng (“Mr. Li”) has been appointed as an Executive Director and the Managing Director of the Company as well as the chairman of each of the Executive Committee and the Nomination Committee, and the vice chairman of the Remuneration Committee with effect from 10 May 2010; and
3. Mr. Luo Zhenyu (“Mr. Luo”) has resigned as an Executive Director and the Deputy Managing Director of the Company with effect from 10 May 2010 and will ipso facto cease to be a member of the Executive Committee from the same date.

**Mr. Cao**, aged 50, graduated from Zhejiang University, the PRC and Graduate School, The Chinese Academy of Social Sciences with a bachelor degree in engineering and a master degree in economics. Mr. Cao was appointed the Managing Director of the Company in November 2001 and is the chairman of each of the Executive Committee and the Nomination Committee and the vice chairman of the Remuneration Committee of the Company. He is also a director of Mount Gibson Iron Limited, a company listed on the Australian Securities Exchange. Mr. Cao was an executive director of APAC Resources Limited (“APAC”) from April 2007 to October 2009 and was concurrently the chairman of APAC since May 2007. He has extensive experience in corporate management and operation.

Mr. Cao is the deputy chairman and general manager of Shougang Holding (Hong Kong) Limited (“Shougang Holding”), and is a director of each of Grand Invest International Limited (“Grand Invest”) and China Gate Investments Limited (“China Gate”), each of Shougang Holding, Grand Invest and China Gate is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”). Mr. Cao is the chairman of Shougang Concord Technology Holdings Limited (“Shougang Technology”), the vice chairman and managing director of Shougang Concord Grand (Group) Limited (“Shougang Grand”), the chairman of Global Digital Creations Holdings Limited (“GDC”) (a subsidiary of Shougang Grand), the chairman of Shougang Concord Century Holdings Limited (“Shougang Century”) and the vice chairman and managing director of Fushan International Energy Group Limited. However, Mr. Cao will resign all such directorships with effect from 10 May 2010.

An engagement letter will be entered into with Mr. Cao for a term commencing on 10 May 2010 and expiring on 31 December 2010. Under the engagement letter, Mr. Cao will be entitled to a director’s fee as may be determined by the Board from time to time pursuant to the authority given by the shareholders of the Company (the “Shareholders”). For the financial year ending 31 December 2010, the director’s fee of Mr. Cao will be HK\$150,000 for a full year which will be paid in proportion to the actual length of services provided by Mr. Cao. Such director’s fee was determined with reference to Mr. Cao’s experience and duties as well as the prevailing market conditions.

As at the date of this announcement and within the meaning of Part XV of the SFO, Mr. Cao has beneficial interests of 10,000,000 shares of the Company (the “Shares”) and 65,000,000 underlying Shares attached to the share options granted by the Company.

Mr. Cao will be subject to rotation requirements as contained in the articles of association of the Company and shall retire from office by rotation at least once every three years.

Save as disclosed above, Mr. Cao does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years and is independent of and not connected with the directors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries. There is no information relating to the redesignation of Mr. Cao which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and there is no other matter that needs to be brought to the attention of the Shareholders.

**Mr. Li**, aged 43, holds a bachelor degree in Automation from University of Science and Technology Beijing. He joined Shougang Corporation, the ultimate holding company of Shougang Holding, in 1989 and is the deputy managing director of Shougang Holding and a director of each of Grand Invest and China Gate. Each of Shougang Holding, Grand Invest and China Gate is a substantial shareholder of the Company within the meaning of Part XV of the SFO. Mr. Li is the managing director of Shougang Century and a director of Sinocop Resources (Holdings) Limited, a Hong Kong listed company. Mr. Li will be redesignated as the vice chairman and general manager of Shougang Holding and as the chairman and managing director of Shougang Century, with effect from 10 May 2010. He will also act as the chairman of Shougang Technology, Shougang Grand and GDC with effect from 10 May 2010. Mr. Li has extensive experience in management of, and investments in, listed companies, sino-foreign joint ventures and steel industry.

A service contract will be entered into between Mr. Li and a wholly-owned subsidiary of the Company for a term commencing on the effective date of his appointment and expiring on 31 December 2010, which may be terminated by either party by giving to other party not less than three month's written notice without payment of compensation (other than statutory compensation). Under the service contract, Mr. Li will be entitled to a monthly salary of HK\$350,000 (or such higher salary as may be determined by the Board from time to time) and discretionary bonus, which was/will be determined with reference to the prevailing market conditions, the performance of the Company as well as Mr. Li's individual performance.

As at the date of this announcement and within the meaning of Part XV of the SFO, Mr. Li does not have any interests in the Shares.

In accordance with the articles of association of the Company, Mr. Li will hold office until the next general meeting of the Company, at which he will be eligible for re-election. Thereafter, Mr. Li will be subject to rotation requirements as contained in the articles of association of the Company and shall retire from office by rotation at least once every three years.

Save as disclosed above, Mr. Li does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years and is independent of and not connected with the directors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries. There is no information relating to the appointment of Mr. Li which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

**Mr. Luo** resigned from the Board due to other business engagement. Mr. Luo has confirmed that he did not have any disagreement with the Board and there is no other matter relating to his resignation that needs to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to express its deepest gratitude to Mr. Cao for his remarkable leadership to the Group during his tenure of service as the Managing Director in the highest regard and would also thank for Mr. Cao and Mr. Luo for their invaluable contributions to the Board. The Board would welcome Mr. Li to the Board.

#### FURTHER INFORMATION IN RESPECT OF RE-ELECTION OF RETIRING DIRECTORS AT THE ANNUAL GENERAL MEETING

Pursuant to the articles of association of the Company, Mr. Li shall hold office only until the next following general meeting, being the annual general meeting of the Company (the "Annual General Meeting") which is scheduled to be held on Tuesday, 8 June 2010, and being eligible, offer himself for re-election as a Director.

The Company despatched a circular to the Shareholders on 29 April 2010 (the "Circular") in respect of certain matters including re-election of retiring Directors to be dealt with at the Annual General Meeting. Since the appointment of Mr. Li was made by the Board after the despatch of the Circular, a supplemental circular containing details of Mr. Li together with a new form of proxy containing the proposed resolution for re-election of Mr. Li as a Director will be sent to the Shareholders as soon as practicable.

By Order of the Board  
**Shougang Concord International Enterprises Company Limited**  
**Cao Zhong**  
*Managing Director*

Hong Kong, 7 May 2010

*As at the date of this announcement, the Board comprises Mr. Wang Qinghai (Chairman), Mr. Cao Zhong (Managing Director), Mr. Chen Zhouping (Deputy Managing Director), Mr. Zhang Wenhui (Deputy Managing Director), Mr. Luo Zhenyu (Deputy Managing Director), Mr. Ip Tak Chuen, Edmond (Non-executive Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Ms. Kan Lai Kuen, Alice (Independent Non-executive Director), Mr. Wong Kun Kim (Independent Non-executive Director) and Mr. Leung Kai Cheung (Independent Non-executive Director).*