



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

The Board of Directors of the Company announces that Mr. Zhang Wenhui ("Mr. Zhang") has resigned as a director and the Deputy Managing Director of the Company with effect from 12th January, 2005 and Mr. Luo Zhenyu ("Mr. Luo") has been appointed as director and the Deputy Managing Director of the Company with effect from 12th January, 2005.

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

Mr. Luo, aged 35, graduated from Tianjin University and the graduate school of Chinese Academy of Social Science with a bachelor degree in technology and a doctor degree in economics respectively. Mr. Luo joined Shougang Corporation, the ultimate holding company of the Company's holding company, Shougang Holding (Hong Kong) Limited ("Shougang Holding"), in 1991. He was an Assistant General Manager of Shougang Holding from March 2000 to March 2002, a director and the Deputy General Manager of Shougang Concord Grand (Group) Limited, an associate of Shougang Holding, from March 2002 to April 2003, and a director and the Vice President of Shougang Concord Technology Holdings Limited, an associate of Shougang Holding, from April 2003 to January 2005. Mr. Luo is an employee of Shougang Holding.

A service contract will be entered into between Mr. Luo and the Company for a term of three years commencing from 12th January, 2005, which may be terminated by either party by giving to other party not less than one month's written notice without payment of compensation (other than statutory compensation). Under the service contract, Mr. Luo is entitled to a monthly salary of HK\$120,000 which is determined with reference to his experience and duties as well as the prevailing market conditions. Pursuant to the Company's articles of association, Mr. Luo will hold office as director until the coming annual general meeting in 2005, at that time he will be eligible for re-election. Thereafter, Mr. Luo will be subject to rotation requirements pursuant to the articles of association of the Company as other directors of the Company. Mr. Luo will receive a director's fee as may be determined by the Board and approved by shareholders of the Company from time to time.

Save as disclosed above, Mr. Luo does not hold any positions with the Company or other members of the Company's group, and does not hold any directorships in other listed public companies in the last three years, and does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company. He does not have any interest in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

The Board would like to take this opportunity to express its gratitude to Mr. Zhang for his past contributions to the Board and would welcome Mr. Luo to the Board.

By order of the Board
Cao Zhong
Managing Director

12th January, 2005

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. Luo Zhenyu (Deputy Managing Director), Mr. Tsoi Wai Kwong, Mr. Ip Tak Chuen, Edmond, Mr. Leung Shun Sang, Tony, Ms. Choy Hok Man, Constance, Ms. Kan Lai Kuen, Alice (Independent Non-executive Director), Mr. Kwan Bo Ren, Dick (Independent Non-executive Director) and Mr. Wong Kun Kim (Independent Non-executive Director).