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XIWANG SPECIAL STEEL COMPANY LIMITED

西王特鋼有限公司

(incorporated in Hong Kong with limited liability)

(Stock code: 1266)

**(1) RESIGNATION OF CHAIRMAN AND
NON-EXECUTIVE DIRECTOR;
(2) APPOINTMENT OF CHAIRMAN;
(3) APPOINTMENT OF EXECUTIVE DIRECTOR
AND
(4) CHANGES IN COMPOSITION OF BOARD COMMITTEES**

RESIGNATION OF CHAIRMAN AND NON-EXECUTIVE DIRECTOR

The Board announces that Mr. Wang Di (王棣先生) has resigned as the Chairman, a non-executive Director, a member of the Remuneration Committee and a member of the Nomination Committee with effect from 14 February 2023 in order to devote more time to other work arrangements.

APPOINTMENT OF CHAIRMAN

The Board is pleased to announce that Mr. Zhang Jian (張健先生), an executive Director and the Chief Executive Officer, has been appointed as the Chairman with effect from 14 February 2023.

APPOINTMENT OF EXECUTIVE DIRECTOR

The Board is pleased to announce that Mr. Wang Chaoqun (王超群先生) has been appointed as an executive Director with effect from 14 February 2023.

CHANGES IN COMPOSITION OF BOARD COMMITTEES

The Board further announces that Mr. Leung Shu Sun Sunny (梁樹新先生), an independent non-executive Director, has been appointed as a member of the Remuneration Committee and a member of the Nomination Committee with effect from 14 February 2023, respectively, to replace the resigned Director, Mr. Wang Di.

RESIGNATION OF CHAIRMAN AND NON-EXECUTIVE DIRECTOR

The board (the “**Board**”) of directors (the “**Directors**”) of Xiwang Special Steel Company Limited (the “**Company**”) hereby announces that Mr. Wang Di (王棣先生) has resigned as the chairman of the Company (the “**Chairman**”), a non-executive Director, a member of the remuneration committee of the Company (the “**Remuneration Committee**”) and a member of the nomination committee of the Company (the “**Nomination Committee**”) with effect from 14 February 2023 in order to devote more time to other work arrangements. Mr. Wang Di has confirmed that he has no disagreement with the Board and there are no matters in respect of his resignation that need to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) or The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Board would like to take this opportunity to express its gratitude to Mr. Wang Di for his valuable contribution to the Company during his term of office.

APPOINTMENT OF CHAIRMAN

The Board is pleased to announce that Mr. Zhang Jian (張健先生) (“**Mr. Zhang**”), an executive Director and the chief executive officer of the Company (the “**Chief Executive Officer**”), has been appointed as the Chairman with effect from 14 February 2023. The biographical details of Mr. Zhang are set out below pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

Mr. Zhang, aged 41, was appointed as an executive Director and the Chief Executive Officer on 14 October 2015. He was appointed as an authorised representative of the Company with effect from 1 April 2022. He obtained his Bachelor of Engineering from Yanbian University* (延邊大學) in 2004 and Master of Engineering from Qilu University of Technology* (齊魯工業大學) in 2013. He worked at the production department of Shandong Xiwang Sugar Industry Company Limited* (山東西王糖業有限公司) (“**Xiwang Sugar**”) from February 2004 to August 2004. From August 2004 to October 2014, he held several managerial positions including director of general manager office, manager of supply department, project manager, deputy managers and general managers within Xiwang Group Company Limited and its subsidiaries, including Shandong Xiwang Steel Co., Ltd.* (山東西王鋼鐵有限公司), Shandong Xiwang Biochemical Technology Co., Ltd.* (山東西王生化科技有限公 司), Xiwang Sugar, Shandong Youhuo Fructose Co., Ltd.* (山東西王悠活果糖有限公司) and Xiwang Pharmaceutical Company Limited* (西王藥業有限公司). Since October 2014, he has been the general manager of Xiwang Metal Science & Technology Company Limited* (西王金屬科技有限公 司) (“**Xiwang Metal Science**”) (previously named Shandong Xiwang Special Steel Company Limited* (山東西王特鋼有限公司)), a wholly-owned subsidiary of the Company. Mr. Zhang has been the general manager of Zhongke Xiwang Special Steel Company Limited* (“**Zhongke Xiwang**”) (中科西王特鋼有限公司) since June 2020.

Mr. Zhang has entered into a service contract with the Company in relation to his position as an executive Director, subject to retirement by rotation and the re-election at the annual general meeting in accordance with the articles of association of the Company. Under the service contract, Mr. Zhang is not entitled to any director’s fee or salary but may receive discretionary bonus or other form of remuneration as determined by the Board with reference to his performance, the remuneration policy of the Company and the prevailing market conditions. Further, Mr. Zhang is entitled to a remuneration of approximately RMB500,000 per annum for his role as the general manager of Zhongke Xiwang.

Save as disclosed above and as at the date of this announcement, Mr. Zhang (i) had not held any directorships in any other listed public companies in the last three years; (ii) did not have any relationship with any Directors and senior management of the Company or substantial Shareholders or controlling Shareholders (both as defined under the Listing Rules); and (iii) did not have any interest in any shares of the Company as defined in Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”). There is no information in relation to the appointment of Mr. Zhang as the Chairman which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

The code provision C.2.1 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Following the appointment of Mr. Zhang as the Chairman, Mr. Zhang will assume the dual roles of the Chairman and the Chief Executive Officer. The Board believes that having the same individual in both roles as the Chairman and the Chief Executive Officer will continue to ensure that the Company has consistent leadership and the ability to make and implement the overall strategy of the Company effectively. The Board believes that this structure does not compromise the balance of power and authority between the Board and the management of the Company. The Board will regularly review the effectiveness of this structure to ensure that it is appropriate to the Company's circumstances.

APPOINTMENT OF EXECUTIVE DIRECTOR

The Board also announces that Mr. Wang Chaoqun (王超群先生) (“**Mr. Wang**”) has been appointed as an executive Director with effect from 14 February 2023. The biographical details of Mr. Wang are set out below pursuant to Rule 13.51(2) of the Listing Rules.

Mr. Wang, aged 38, graduated from Qingdao Open University* (青島開放大學) (previously named Qingdao Radio and Television University* (青島廣播電視大學)) in 2007, majoring in business administration. Since May 2007, he has worked in Xiwang Metal Science. From November 2014 to August 2022, he has been a factory manager of Xiwang Metal Science. Since August 2022, he has been the deputy general manager of Xiwang Metal Science. Since January 2023, he has held directorship in several subsidiaries of the Company, including Xiwang Metal Science, Xiwang Special Steel Company Limited* (西王特鋼有限公司), Shandong Xiwang Recycling Resources Company Limited* (山東西王再生資源有限公司) and Zhongke Xiwang.

Mr. Wang has entered into a service contract with the Company for a term of three years commencing from 14 February 2023. Mr. Wang shall hold office until the first annual general meeting of the Company after his appointment and shall be eligible for re-election at such meeting. His appointment will also be subject to retirement by rotation and the re-election at the annual general meeting in accordance with the articles of association of the Company. Mr. Wang will not receive any director's fee or salary but may receive discretionary bonus or other form of remuneration as determined by the Board with reference to his performance, the remuneration policy of the Company and the prevailing market conditions. Further, Mr. Wang will be entitled to a remuneration of approximately RMB300,000 per annum (inclusive of salary, bonus and other benefits) for his role as the deputy general manager of Xiwang Metal Science (a wholly-owned subsidiary of the Company).

Save as disclosed above and as at the date of this announcement, Mr. Wang (i) had not held any directorships in any other listed public companies in the last three years; (ii) did not have any relationship with any Directors and senior management of the Company or substantial Shareholders or controlling Shareholders (both as defined under the Listing Rules); and (iii) did not have any interest in any shares of the Company as defined in Part XV of the SFO. There is no information in relation to the appointment of Mr. Wang as an executive Director which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

The Board congratulates Mr. Zhang and Mr. Wang on their new appointments and looks forward to their continuous contribution to the Group's business and development.

CHANGES IN COMPOSITION OF BOARD COMMITTEES

The Board further announces that following the resignation of Mr. Wang Di, Mr. Leung Shu Sun Sunny (梁樹新先生) (“**Mr. Leung**”), an independent non-executive Director, has been appointed as a member of the Remuneration Committee and a member of the Nomination Committee with effect from 14 February 2023, respectively, to replace the resigned Director, Mr. Wang Di. Mr. Leung is currently the Chairman of the audit committee of the Company.

The Board would like to take this opportunity to express its warm welcome to Mr. Leung for his new positions in the Company.

By Order of the Board of
Xiwang Special Steel Company Limited
Zhang Jian
Chairman

Hong Kong, 14 February 2023

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Mr. ZHANG Jian
Mr. SUN Xinqu
Ms. LI Hai Xia
Mr. WANG Chaoqun

Independent non-executive Directors:

Mr. LEUNG Shu Sun Sunny
Mr. LI Bangguang
Mr. YU Kou

* *For identification purposes only*