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If you are in any doubt as to any aspect of about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Shanghai Fudan Microelectronics Group Company Limited (the “Company”), you should at once had this circular and the accompanying confirmation slip and form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.



上海復旦微電子集團股份有限公司

Shanghai Fudan Microelectronics Group Company Limited*

(a joint stock limited company incorporated in the People’s Republic of China)

(Stock Code: 8102)

**PROPOSED RENEWAL OF GENERAL MANDATE TO ISSUE SHARES,
PROPOSED RE-ELECTION OF DIRECTORS,
PROPOSED AMENDMENTS TO ARTICLES
AND
NOTICE OF ANNUAL GENERAL MEETING**

This circular, for which the directors (the “Directors”) of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “GEM”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and publish on the Company’s website at www.fmsh.com.

29 March 2012

* *For identification purpose only*

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

“AGM”	the annual general meeting of the Company to be held at Building 4, Lane 127, Guotai Road, Shanghai, the PRC on 25 May 2012 at 10:00 a.m.
“Article(s)”	the articles of association of the Company
“Board”	the board of Directors
“Company”	上海復旦微電子集團股份有限公司 (Shanghai Fudan Microelectronics Group Company Limited*), a joint stock limited company incorporated in the PRC and whose H shares are listed on GEM
“Directors”	the director(s) of the Company
“Domestic Share(s)”	domestic share(s) of nominal value of RMB 0.10 each in the capital of the Company which are subscribed for in Renminbi
“Final Dividend”	the proposed final dividend of RMB8 cents per Share for the year ended 31 December 2011
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as may be amended, modified or supplemented from time to time
“General Mandate”	the proposed general mandate to be granted to the Directors at the AGM to permit the allotment and issue of new Shares in the Company of up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate
“H Share(s)”	foreign invested share(s) of nominal value of RMB 0.10 each in the capital of the Company which are listed on GEM and subscribed for in HK dollars
“Latest Practicable Date”	25 March 2012 being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“PRC”	the People’s Republic of China
“Share(s)”	Domestic Shares and H Shares
“Shareholder(s)”	registered Domestic Shareholders and H Shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	Percent

LETTER FROM THE BOARD



上海復旦微電子集團股份有限公司

Shanghai Fudan Microelectronics Group Company Limited*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8102)

Executive Directors:

Mr. Jiang Guoxing (*Chairman*)
Mr. Shi Lei (*Managing Director*)
Mr. Yu Jun (*Deputy Managing Director*)
Ms. Cheng Junxia
Mr. Wang Su

Non-executive Directors:

Ms. Zhang Qianling
Mr. He Lixing
Mr. Shen Xiaozu

Independent non-executive Directors:

Mr. Cheung Wing Keung
Mr. Guo Li
Mr. Chen Baoying

Registered Office:

No.220 Handan Road
Shanghai
The PRC

Principal Place of Business:

In the PRC:

Building 4, Lane 127, Guotai Road
Shanghai, the PRC

In Hong Kong:

Flat 6, 5/F., East Ocean Centre
98 Granville Road
Tsimshatsui East
Kowloon
Hong Kong

Dear Sir or Madam

**PROPOSED RENEWAL OF GENERAL MANDATE TO ISSUE SHARES,
PROPOSED RE-ELECTION OF DIRECTORS,
PROPOSED AMENDMENTS TO ARTICLES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with further information regarding the resolutions to be proposed at the forthcoming AGM: (i) the proposal to renew the General Mandate to issue Shares; (ii) the proposal to re-elect retiring Directors; (iii) the proposal to amend Articles; and (iv) to give you notice of AGM.

* For identification purpose only

LETTER FROM THE BOARD

A. RENEWAL OF GENERAL MANDATE TO ISSUE SHARES

A general mandate was given by the Shareholders in the last annual general meeting of the Company being held on 27 May 2011 to the Directors to exercise the powers of the Company to issue Shares, and thereafter, such mandate has not been renewed. In accordance with conditions of the general mandate granted, such mandate will be lapsed at the conclusion of the forthcoming AGM. A special resolution will be proposed by the Directors at the forthcoming AGM for the Shareholders' approval to renew general mandate to the Directors to exercise the powers of the Company to issue Shares.

B. RE-ELECTION OF DIRECTORS

In accordance with article 87 of the Articles, Mr. Jiang Guoxing, Mr. Shi Lei, Ms. Zhang Qianling and Mr. Chen Baoying will retire by rotation at the conclusion of the forthcoming AGM and being eligible, offer themselves for re-election.

The biographical details of the aforesaid retiring Directors proposed to be re-elected are set out in Appendix 1 to this circular. An ordinary resolution approving their re-elections will be proposed at the forthcoming AGM.

The re-election of Directors has been reviewed by the Nomination Committee of the Company which made recommendation to the Board that the re-elections be proposed for Shareholders' approval at the AGM.

C. AMENDMENTS TO ARTICLES

The Directors propose to seek approval from the Shareholders at the AGM for the amendments to existing Articles, the provisions of which will principally reflect the upcoming amendments to the GEM Listing Rules, as well as the Corporate Governance Code contained in Appendix 15 to the GEM Listing Rules, and certain housekeeping amendments proposed by the Board.

Both of the Company's PRC and Hong Kong legal advisers have confirmed that the proposed amendments to Articles are in compliance with the requirements of the GEM Listing Rules and the laws of the PRC. The Company also confirms that there is nothing unusual about the proposed amendments to Articles for a company listed in Hong Kong.

Details of proposed amendments to Articles are set out in Appendix 2 to this circular.

D. AGM

A notice convening the AGM is set out in Appendix 3 to this circular.

Pursuant to the GEM Listing Rules and in accordance with Article 66, all of the resolutions set out in the notice of AGM will be voted by poll.

LETTER FROM THE BOARD

E. FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board has recommended the payment of Final Dividend which is subject to the passing of resolution in the AGM and will be paid on 6 July 2012.

For AGM

Persons who hold shares of the Company and whose names appear on the Register of Members of the Company as at 25 April 2012 shall be entitled to attend the AGM. To be qualified to attend the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong no later than 4:00 p.m. on 24 April 2012.

For the purpose of AGM, the Register of Members of the Company will be closed from 25 April 2012 to 25 May 2012 (both days inclusive) and during which no transfer of H shares will be effected.

For Final Dividend

Persons who hold shares of the Company and whose names appear on the Register of Members of the Company as at 1 June 2012 shall be entitled to the Final Dividend. To be qualified to the Final Dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong no later than 4:00 p.m. on 31 May 2012.

For the purpose of the Final Dividend, the Register of Members of the Company will be closed from 1 June 2012 to 4 June 2012 (both days inclusive) and during which no transfer of H shares will be effected.

RECOMMENDATION

The Directors consider that the proposals for renewal of the General Mandate, re-election of retiring Directors and amendments to Articles are in the best interests of the Company and its shareholders and, accordingly, recommend that all Shareholders to vote in favour of the above proposed resolutions in the AGM.

No Shareholder is required to abstain from voting in respect of any of the resolutions to be proposed at the AGM.

Yours faithfully,
By Order of the Board
Shanghai Fudan Microelectronics Group Company Limited*
Jiang Guoxing
Chairman

Shanghai, the PRC, 29 March 2012

* *For identification purpose only*

At the AGM, an ordinary resolution to re-elect the following Directors will be proposed. In compliance with Rule 17.50(2) of the GEM Listing Rules, details of the relevant Directors are as follows:

Mr. Jiang Guoxing (“Mr. Jiang”), aged 58, joined the Company in July 1998, is the Chairman and executive director of the Company. Mr. Jiang is a professor grade senior engineer and graduated with a degree in computer science from Shanghai Fudan University (the “Fudan University”). He is also the director and general manager of Shanghai Fudan Fuhua Technology Company Limited, a company listed on the Stock Exchange of Shanghai. He was the non-executive director of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd., a company listed on the GEM. Mr. Jiang did not hold any directorship in other listed companies in the past three years.

At the Latest Practicable Date, Mr. Jiang holds an interest of 8,652,300 Domestic Shares (within the meaning of Part XV of the Securities and Futures Ordinance) and out of which, 7,210,000 Domestic Shares are directly beneficially owned and 1,442,300 Domestic Shares are held in name of Staff Shareholding Association of the Company (“SSAC”) (representing approximately 1.40% of the issued share capital of the Company.)

Mr. Jiang entered into a service contract with the Company to act as an executive director of the Company with effect from 19 July 2009 for a term of 3 years and shall continue thereafter unless and until terminated in accordance with the terms of his service contract or by either party giving to the other not less than 3 calendar months’ prior notice in writing. Pursuant to the service contract, Mr. Jiang is entitled to receive a fixed director’s remuneration of RMB300,000 per annum that excludes bonus which is payable or other benefits which may be granted in accordance with the Company’s business performance and at the discretion of the Company. Mr. Jiang’s remuneration is determined by reference to his qualifications, experience and work performance as well as market benchmarks.

Mr. Shi Lei (“Mr. Shi”), aged 45, joined the Company in July 1998, is the executive and managing director of the Company and a director of the Company’s subsidiary, Shanghai Fudan Microelectronics (HK) Limited. He is a professor grade senior engineer and was graduated with a Bachelor degree and a Master degree in management respectively from the China University of Technology and the Fudan University. Prior to joining the Company, Mr. Shi was the deputy manager in the Development Division of Shanghai Agricultural Investments Company and the general manager of Shanghai Pacific Commercial Trust Company Limited. He is also the chairman of the Company’s substantial shareholders, Shanghai Commerce and Invest (Group) Corporation and Shanghai Fudan Technology Enterprise Holdings Limited. Mr. Shi did not hold any directorship in other listed companies in the past three years.

At the Latest Practicable Date, Mr. Shi holds an interest of 20,190,000 Domestic Shares (within the meaning of Part XV of the Securities and Futures Ordinance) and out of which, 7,210,000 Domestic Shares are directly beneficially owned and 12,980,000 Domestic Shares are held in name of SSAC (representing approximately 3.27% of the issued share capital of the Company.)

Mr. Shi entered into a service contract with the Company to act as an executive director of the Company with effect from 19 July 2009 for a term of 3 years and shall continue thereafter unless and until terminated in accordance with the terms of his service contract or by either party giving to the other not less than 3 calendar months' prior notice in writing. Pursuant to the service contract, Mr. Shi is entitled to receive a fixed director's remuneration of RMB780,000 per annum that excludes bonus which is payable or other benefits which may be granted in accordance with the Company's business performance and at the discretion of the Company. Mr. Shi's remuneration is determined by reference to his qualifications, experience and work performance as well as market benchmarks.

Ms. Zhang Qianling ("Ms. Zhang"), aged 75, joined the Company in July 1998, is the non-executive of the Company. She was a principal professor and tutor to doctorate students at Fudan University. She is a promoter and first director of the Special National Laboratories Center for Integrated Circuits and Systems of the Fudan University. Ms. Zhang did not hold any directorship in other listed companies in the past three years.

At the Latest Practicable Date, Ms. Zhang had a personal interest in 1,733,650 Domestic Shares (within the meaning of Part XV of the Securities and Futures Ordinance) which is held in name of SSAC (representing approximately 0.28% of the issue share capital of the Company.)

Ms. Zhang entered into a service contract with the Company to act as non-executive director of the Company with effect from 19 July 2009 for a term of 3 years and shall continue thereafter unless and until terminated in accordance with the terms of her service contract or by either party giving to the other not less than 3 calendar months' prior notice in writing. Ms. Zhang does not receive any directors' remuneration and allowances.

Mr. Chen Baoying ("Professor Chen"), aged 82, joined the Company in October 2007, is the independent non-executive director of the Company and is a part-time professor of Nankai University. He graduated with a bachelor degree in Nankai University and a master degree in Renmin University of China both in international trade and finance. He has around 40 years working experience in research of international trade and finance. He was the researcher of the Institute of International Trade of the Ministry of Foreign Trade and Economic Cooperation, the PRC, which he worked for 30 years. He was the vice director of the Hong Kong and Macao Research Centre of the Hong Kong and Macao Affairs Office of the State Council since 1986 and retired in 1995, and was primarily responsible for research of economic and finance in these areas. He was appointed member respectively of the Join Working Group of the Mainland and Hong Kong Securities Affairs and the Expert Group on Commodities of the China Securities Regulatory Commission. He was an independent non-executive director of China National Resources Development Holdings Limited, a company listed on the main board of the Stock Exchange. Professor Chen did not hold any directorship in other listed companies in the past three years.

At the Latest Practicable Date, Professor Chen had no personal interest in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance).

Professor Chen entered into a service contract with the Company to act as an independent non-executive director of the Company with effect from 27 May 2011 for a period of one year and expires at the conclusion of the forthcoming AGM. Pursuant to the service contract, Professor Chen is entitled to receive a travelling allowance of RMB3,000 per month. Upon the approval of the ordinary resolution at the forthcoming AGM for his re-election, the Company will enter into an independent non-executive director service contract with Professor Chen for a period of one year with effect from 25 May 2012 and expires at the next annual general meeting of the Company, and Professor Chen will be entitled to receive a travelling allowance of RMB3,000 per month. Professor Chen's remuneration is determined by reference to his qualifications, experience and work performance as well as the remuneration of other independent non-executive directors of the Company.

Save as disclosed above, as at the Latest Practicable Date and to the best knowledge and belief of the Board, the Directors confirmed that:

1. All the above Directors do not have any relationship with any Directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company;
2. All the above Directors does not hold any positions in the Company or any members of the Company; and
3. The Company is not aware of any other matters that need to be brought to the attention of the Shareholders. Nor is there any information regarding the above directors required to be disclosed pursuant to Rules 17.50(2) (h) to (v) of the GEM Listing Rules.

Details of the proposed amendments to Articles are set out:

- (a) Article 66 of the Articles be amended by adding a second paragraph:

“Except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Procedural and administrative matters are those that (i) are not on the agenda of the meeting or in any supplementary circular to shareholders; and (ii) relate to the chairman’s duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all shareholders a reasonable opportunity to express their views.”

- (b) Third paragraph of Article 87 be amended and entirely replaced with the following:

“The number of directors that do not concurrently hold posts in the Company shall be more than one second of the whole number of the board of directors of the Company. And the Company shall appoint at least three independent non-executive directors which representing at least one-third of the board of directors of the Company and including at least one who has the professional certificate or professional knowledge in accounting or relevant financial management in accordance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.”

Note: This amendment will be effective on 31 December 2012

- (c) Article 88 of the Articles be amended as followings:

- (i) Add item (13):

- (1) to develop and review the Company’s policies and practices on corporate governance;
- (2) to review and monitor the training and continuous professional development of directors and senior management;
- (3) to review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements;
- (4) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- (5) to review the Company’s compliance with the code of the Stock Exchange of Hong Kong Limited and disclosures in the corporate governance report.

- (ii) Delete entirely the last paragraph and replaced by the following:

“Resolutions by the board of directors on matters referred to in the preceding paragraph may be passed by the affirmative vote of a simple majority of the directors other than the resolutions on matters referred to in items (6), (7), (11), (12) and (13), which shall require the affirmative vote of more than two-thirds of the directors.”

- (d) Article 91 of the Articles be amended and entirely replaced by the following:

“Meetings of the board of directors shall be held at least four times a year. Meetings of the board of directors shall be convened by the chairman of the board by giving a notice to all directors 5 days before the meetings are held. When there is an urgent matter, an extraordinary meeting of the board of directors may be held if it is so requested by more than one third of the directors or the Company’s general manager.”

- (e) Article 93 of the Articles be amended as followings:

- (i) item (3) be deleted entirely;
- (ii) item (4) be renumbered as item (3); and
- (iii) item (5) be renumbered as item (4).

- (f) Article 94 of the Articles be amended by adding the following to the first paragraph:

“Attendance by a director at a meeting by electronic means such as telephonic or video-conferencing may be counted as physical attendance.”; and

- (g) Article 138 of the Articles be amended by deleting the last paragraph entirely and replace with the following:

“Interim dividend of the Company shall be recommended and declared by the board of directors of the Company. Final dividend of the Company shall be recommended by the board of directors of the Company and executed subject to the passing of an ordinary resolution in the general meeting.””



上海復旦微電子集團股份有限公司

Shanghai Fudan Microelectronics Group Company Limited*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 8102)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Shanghai Fudan Microelectronics Group Company Limited (the “Company”) will be held at Building 4, Lane 127, Guotai Road, Shanghai, the People’s Republic of China (the “PRC”) on 25 May 2012 at 10:00 a.m. for the following purposes:–

1. To receive and consider the audited consolidated financial statements and the Reports of the Directors and the Auditors for the year ended 31 December 2011;
2. To re-elect directors and to authorise the board of directors (“Board”) to fix their remuneration;
3. To approve the payment of a final dividend for the year ended 31 December 2011;
4. To appoint auditors and to authorise the Board to fix their remuneration;

To consider, if thought fit, pass with or without amendments, the following special resolutions:

SPECIAL RESOLUTION

5. **“THAT:**
 - (a) subject to paragraphs (c), (d) and (e) below, the exercise by the Board during the Relevant Period (as defined in paragraph (f) below) of all the powers of the Company separately or concurrently to allot, issue and deal with the domestic invested shares of RMB0.10 each in the share capital of the Company (“Domestic Shares”) and/or the foreign invested shares of RMB0.10 each in the share capital of the Company (“H Shares”) be and is hereby approved;
 - (b) the approval in paragraph (a) above shall authorise the Board to make an offer or agreement or grant an option during the Relevant Period which would or might require Domestic Shares and/or H Shares to be allotted and issued either during or after the end of the Relevant Period;

* For identification purpose only

- (c) the aggregate nominal value of Domestic Shares to be allotted and issued or agreed to be allotted and issued (whether pursuant to an option or otherwise) by the Board pursuant to the approval in paragraphs (a) and (b) above, otherwise than pursuant to (i) a rights issue (as defined in paragraph (f) below); (ii) the exercise of the conversion rights under the terms of any securities which are convertible into such shares; (iii) the exercise of rights of subscription under the terms of any warrants issued by the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of such shares in lieu of the whole or part of a dividend on such shares in accordance with the Articles, shall not exceed 20% of the aggregate nominal value of the Domestic Shares then in issue at the date of the passing of this resolution;
- (d) the aggregate nominal value of H Shares to be allotted and issued or agreed to be allotted and issued (whether pursuant to an option or otherwise) by the Board pursuant to the approval in paragraphs (a) and (b) above, otherwise than pursuant to (i) a rights issue (as defined in paragraph (f) below); (ii) the exercise of the conversion rights under the terms of any securities which are convertible into such shares; (iii) the exercise of rights of subscription under the terms of any warrants issued by the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of such shares in lieu of the whole or part of a dividend on such shares in accordance with the Articles, shall not exceed 20% of the aggregate nominal value of the H Shares then in issue at the date of the passing of this resolution;
- (e) the approval in paragraph (a) above shall be conditional upon the approval of the relevant PRC regulatory authorities being obtained by the Company;
- (f) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- (ii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in general meeting.

“**rights issue**” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company on the register of members of the Company on a fixed record date and, where appropriate, the holders of the other equity securities of the Company entitled to be offered therein, in proportion to their then holdings of such shares or other equity securities (subject to such exclusions or other arrangements as the directors of the Company may deem

necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any regulatory body or any stock exchange); and

- (g) the Board be and is hereby authorised to make such amendments to articles 15, 16 and 19 of the Articles as it thinks fit so as to increase the registered share capital and to reflect the new capital structure of the Company as a result of the allotment and issuance of shares of the Company pursuant to the approval granted under paragraph (a) above.”

6. “**THAT:** the Articles be and are hereby amended as followings:

- (a) Article 66 of the Articles be amended by adding a second paragraph:

“Except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Procedural and administrative matters are those that (i) are not on the agenda of the meeting or in any supplementary circular to shareholders; and (ii) relate to the chairman’s duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all shareholders a reasonable opportunity to express their views.”

- (b) Third paragraph of Article 87 be amended and entirely replaced with the following:

“The number of directors that do not concurrently hold posts in the Company shall be more than one second of the whole number of the board of directors of the Company. And the Company shall appoint at least three independent non-executive directors which representing at least one-third of the board of directors of the Company and including at least one who has the professional certificate or professional knowledge in accounting or relevant financial management in accordance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.”

Note: This amendment will be effective on 31 December 2012

- (c) Article 88 of the Articles be amended as followings:

- (i) Add item (13):

- (1) to develop and review the Company’s policies and practices on corporate governance;
- (2) to review and monitor the training and continuous professional development of directors and senior management;

- (3) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (4) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- (5) to review the Company's compliance with the code of the Stock Exchange of Hong Kong Limited and disclosures in the corporate governance report.

(ii) Delete entirely the last paragraph and replaced by the following:

“Resolutions by the board of directors on matters referred to in the preceding paragraph may be passed by the affirmative vote of a simple majority of the directors other than the resolutions on matters referred to in items (6), (7), (11), (12) and (13), which shall require the affirmative vote of more than two-thirds of the directors.”

(d) Article 91 of the Articles be amended and entirely replaced by the following:

“Meetings of the board of directors shall be held at least four times a year. Meetings of the board of directors shall be convened by the chairman of the board by giving a notice to all directors 5 days before the meetings are held. When there is an urgent matter, an extraordinary meeting of the board of directors may be held if it is so requested by more than one third of the directors or the Company's general manager.”

(e) Article 93 of the Articles be amended as followings:

- (i) item (3) be deleted entirely;
- (ii) item (4) be renumbered as item (3); and
- (iii) item (5) be renumbered as item (4).

(f) Article 94 of the Articles be amended by adding the following to the first paragraph:

“Attendance by a director at a meeting by electronic means such as telephonic or video-conferencing may be counted as physical attendance.”; and

- (g) Article 138 of the Articles be amended by deleting the last paragraph entirely and replace with the following:

“Interim dividend of the Company shall be recommended and declared by the board of directors of the Company. Final dividend of the Company shall be recommended by the board of directors of the Company and executed subject to the passing of an ordinary resolution in the general meeting.”

By order of the Board
Shanghai Fudan Microelectronics Group Company Limited*
Jiang Guoxing
Chairman

Shanghai, the PRC, 29 March 2012

Registered office:

No. 220 Handan Road
Shanghai
The PRC

Principal place of business in Hong Kong:

Flat 6, 5/F., East Ocean Centre
98 Granville Road
Tsimshatsui East
Kowloon
Hong Kong

Notes:

1. Persons who hold shares of the Company and whose names appear on the Register of Members of the Company as at 25 April 2012 shall be entitled to attend the AGM. Further details are set out in the reply slip and explanation thereto.
2. Any member entitled to attend and vote at the AGM is entitled to appoint one or more person(s) as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.
3. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of that power of attorney, must be deposited not less than 24 hours before the time appointed for the holding of the AGM at the Company's registered office or the Company's principal place of business in Hong Kong as stipulated in the proxy form.
4. The Register of Members of the Company in Hong Kong will be closed from 25 April 2012 to 25 May 2012 (both dates inclusive) during which period no transfer of H shares will be registered. To be qualified to attend the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong no later than 4:00 p.m. on 24 April 2012.
5. Completion and delivery of the form of proxy will not preclude a member from attending and voting in person at the AGM if the member so desires, and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. The Articles are written in Chinese and there is no official English translation in respect thereof. Therefore, the English version of proposed resolution above on amendments to Articles is purely a translation only. Should there be any discrepancy, the Chinese version shall prevail.
7. Information containing further details regarding the proposed Resolutions No. 2 and No. 6 set out in the above notice as required by the GEM Listing Rules are set out in Appendix 1 and Appendix 2 of this circular.

* *For identification purpose only*