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**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 on GEM: 8102)**  
**(Stock Code on Main Board: 1385)**

## **TRANSFER OF LISTING FROM GEM TO MAIN BOARD**

**Financial adviser**

**Amasse Capital**

**寶 積 資 本**

Reference is made to the announcement issued by the Company dated 4 September 2013 in relation to the formal application submitted to the Stock Exchange for the Transfer of Listing pursuant to Chapter 9A of the Main Board Listing Rules.

The Board is pleased to announce that the approval in principle for the Transfer of Listing of the H Shares on the Main Board has been granted on 30 December 2013. The last day of dealings in the H Shares on GEM will be Tuesday, 7 January 2014. It is expected that dealings in the H Shares on the Main Board of the Stock Exchange (stock code: 1385) will commence at 9:00 a.m. on Wednesday, 8 January 2014.

The Board confirms that all pre-conditions for the Transfer of Listing as set out in Rule 9A.02 of the Main Board Listing Rules have been fulfilled in relation to the Company and its H Shares as of the date of this announcement.

The Transfer of Listing will have no effect on the existing share certificates in respect of the H Shares which will continue to be good evidence of legal title and be valid for trading, settlement and registration purposes. Save for the change in stock code, no change is proposed to be made to the share certificate, the board lot size which is 2,000 H Shares each, the trading currency of the H Shares which is Hong Kong dollars and the share registrar of the Company which is Tricor Tengis Limited. The trading short name in both English and Chinese will remain the same.

Reference is made to the announcement issued by the Company dated 4 September 2013 in relation to the formal application submitted to the Stock Exchange for the Transfer of Listing pursuant to Chapter 9A of the Main Board Listing Rules.

## **TRANSFER OF LISTING**

An application was made by the Company to the Stock Exchange for the listing of, and permission to deal in 242,330,000 H Shares in issue on the Main Board by way of the Transfer of Listing.

The Board is pleased to announce that the approval in principle for the Transfer of Listing of the H Shares on the Main Board has been granted on 30 December 2013. The last day of dealings in the H Shares on GEM will be Tuesday, 7 January 2014. It is expected that dealings in the H Shares on the Main Board of the Stock Exchange (stock code: 1385) will commence at 9:00 a.m. on Wednesday, 8 January 2014.

The Board confirms that all pre-conditions for the Transfer of Listing as set out in Rule 9A.02 of the Main Board Listing Rules have been fulfilled in relation to the Company and its H Shares as of the date of this announcement.

The H Shares have been accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from 4 August 2000, the date on which the H Shares were first listed on GEM. Subject to continued compliance with the stock admission requirements of HKSCC, the H Shares will continue to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS once dealings in the H Shares on the Main Board commence, and that all activities under CCASS are subject to the General Rules of the CCASS and CCASS Operational Procedures in effect from time to time.

The Transfer of Listing will have no effect on the existing share certificates in respect of the H Shares which will continue to be good evidence of legal title and be valid for trading, settlement and registration purposes. Save for the change in stock code, no change is proposed to be made to the share certificate, the board lot size which is 2,000 H Shares each, the trading currency of the H Shares which is Hong Kong dollars and the share registrar of the Company which is Tricor Tengis Limited. The trading short name in both English and Chinese will remain the same.

The Company shall submit a written report in respect of the Transfer of Listing to the CSRC within 15 working days upon listing of and commencement of dealings in the H Shares on the Main Board.

## **INFORMATION OF THE GROUP**

The principal activities of the Company consist of designing, developing and selling products of application specific integrated circuits.

The principal activities of the subsidiaries are the provision of testing services for IC products; designing, developing and selling of IC testing software and products; production of probe cards; as well as provision of research and consultancy services of IC technology. The Company was listed on the GEM on 4 August 2000.

## **REASON FOR THE TRANSFER OF LISTING**

The Board believes that the Transfer of Listing will enhance the profile of the Company and increase the trading liquidity of the H Shares and recognitions by potential investors. The Directors consider that the listing of the H Shares on the Main Board will be beneficial to the future growth and business development of the Group. There is no intention of the Board to change the nature of business of the Group following the Transfer of Listing. The Transfer of Listing will not involve issue of any new Shares by the Company.

## **COMPETING INTEREST**

As at the date of this announcement, none of the Directors, management shareholders and substantial shareholders of the Company and their respective associates has an interest in a business which competes or may compete, either directly or indirectly, with the business of the Group pursuant to Rule 9A.09 (10) of the Main Board Listing Rules.

## **REGULAR PUBLICATION OF RESULTS**

Upon the Transfer of Listing, the Company will cease the practice of quarterly reporting of financial results and will follow the relevant requirements of the Main Board Listing Rules which include publishing its interim results and annual results within two months and three months from the end of the relevant periods or financial year ends, respectively. The Board is of the view that the investors and Shareholders will continue to have access to relevant information on the Company following the reporting requirements under the Main Board Listing Rules.

## **OTHER DISCLOSURE**

### **Government grants and research and development (“R&D”)**

The Group is positioned as a high technology group in the PRC. In order to maintain its leading position in the industry, the Group continues to commit its resources on research and development activities. Please see the following for the Group’s R&D expenses and major technology developments during the three years ended 31 December 2012 and nine months ended 30 September 2013:-

For the year ended 31 December 2010

Total R&D expenses: approx. RMB77,565,000

Major development: Advancements in 0.18/0.13 super deep submicron (“DSM”) technology and conducted pilot technical researches in nanotechnology platform; enhanced the Company’s design technologies from 0.18/0.13 super DSM technology to nanotechnology platform.

For the year ended 31 December 2011

Total R&D expenses: approx. RMB125,351,000

Major development: R&D in 55nm/90nm nanotechnology and pilot R&D in Field Programmable Gate Arrays (“FPGA”) which enabled the Company’s embedded storage design to keep pace with advanced international technologies. In addition, the non-volatile memory chips were enhanced from small capacity and low performance to high capacity with high performance.

For the year ended 31 December 2012

Total R&D expenses: approx. RMB178,705,000

Major development: R&D and advanced reliable testing technology development in high resolution Complementary Metal Oxide Semiconductor (“CMOS”) sensors which enabled the Company to diversify its advanced R&D, expand its ability in product development and achieve a leading position in design capability locally with international standard.

For the nine months ended 30 September 2013

Total R&D expenses: approx. RMB147,401,000

Major development: Conducted R&D in attack resistant technology of highly reliable data security chips; implementation of technology in high capacity FPGA and high density flash memory, and improvement in CMOS sensor technology. Enhanced the Company’s design capabilities in endpoint protection technology of high performance CPU smart cards and advanced FPGA.

It is the PRC Government policy to provide grants and tax benefits to companies in the software and integrated circuit industry devoting to R&D on new innovative products in the industry, which should also follow the State’s medium to long term plan in scientific development and the strategic positioning in new industry. Companies fulfill such criteria could apply for such grants and tax benefits.

The Group met the above criteria and was entitled to the government grants for its R&D activities and entitled to certain tax benefits based on the tax policy to encourage the development of software and IC industry companies.

The table below illustrated the amounts of government grants remained as deferred income as at the end of the reporting period of 2012, 2011, 2010 and 30 September 2013 respectively and the expected time of recognition as other income in the consolidated statement of comprehensive income in future years:

At the end of the reporting period	Balance of government grants as deferred income (RMB'000)	Recognised or expected to be recognised as other income in the year of				
		2011 (RMB'000)	2012 (RMB'000)	2013 (RMB'000)	2014 (RMB'000)	2015 and after (RMB'000)
31 Dec 2010	65,026	6,263	42,017	7,254	3,265	6,227
31 Dec 2011	66,521	NA	28,810	17,442	9,817	10,452
31 Dec 2012	94,744	NA	NA	29,123	16,392	49,229
30 Sep 2013	87,521	NA	NA	18,228	11,114	58,179

NA: Not applicable

Various government grants have been received for setting up research activities in Shanghai to support domestic technology development. The government grants received for certain research activities have been recognised as other income, when there are no unfulfilled conditions or contingencies relating to these grants. Government grants received for which related expenditure has not yet been undertaken are included in “accruals, other payables and deferred income” in the consolidated statement of financial position.

Certain key items on the consolidated statement of comprehensive income and consolidated statement of financial position during the three financial years ended 31 December 2012, six months period ended 30 June 2013 and nine months period ended 30 September 2013 are set out below:

Consolidated Statement of Comprehensive Income	For the nine months period ended 30 September	For the six months period ended 30 June	For the year ended 31 December		
	2013 RMB'000	2013 RMB'000	2012 RMB'000	2011 RMB'000	2010 RMB'000
Revenue	601,622	386,244	704,064	609,544	489,083
Government grants (classified under Other income and gains)	37,309	24,692	87,893	47,205	41,138
R&D expense (classified under Other expenses)	147,401	93,194	178,705	125,351	77,565
Net profit after tax	112,631	80,386	143,588	107,341	120,534

Consolidated Statement of Financial Position	As at 30 September	As at 30 June	As at 31 December		
	2013 RMB'000	2013 RMB'000	2012 RMB'000	2011 RMB'000	2010 RMB'000
Intangible assets	55,911	54,046	35,651	29,956	24,980
Government grants (classified under Accruals, other payables and deferred income)	86,275	77,695	94,744	66,521	65,026
Net assets	706,009	673,728	642,416	550,393	474,247

## **Commitments**

As at 30 September 2013, the Group's has capital commitments in relation to the purchase of office premises of approximately RMB59,745,000 and its decoration of approximately RMB7,556,000. The consideration for the purchase of office premises and cost of its decoration will be financed by the Group's internal resources.

## **Cash management policy**

The balance of the consolidated cash and cash equivalent as reported in the Consolidated Statement of Financial Position of the Group represents 41.5%, 35.1%, 40.8% and 34.9% of the consolidated total assets of the Group for the financial years ended 31 December 2010, 2011, 2012 and nine months period ended 30 September 2013, respectively. The reasons for the Group to maintain such a high percentage of cash with respect to its total assets are:-

- (i) as disclosed above, huge amount of financial resources were devoted into R&D activities over each of the past three years. Therefore, it is crucial for the Group to maintain a strong cash position so as to support upcoming R&D activities, through which the Group could maintain a leading position in the industry and continuous growth in future sales;
- (ii) the Group's turnover increases significantly over the recent years and, therefore, it will be financially healthier for the Group to maintain a higher cash balance so as to meet any short-term liquidity difficulties; and
- (iii) since the Company is a H-share company, it will be subject to lengthy approval procedure in conducting any fund raising activities by the Company in Hong Kong.

## **Prospects**

As sales of the Security and Identification IC chips during the nine months period ended 30 September 2013 have recorded a considerable growth, it is expected that the financial and social security cards and resident health cards in this category still have a considerable huge market space. As this product series attributes a large portion of the overall turnover, it is believe that this product series would bring a considerable contribution to the results of the fourth quarter. The chips products of public transportation card, citizen card and resident card etc. within this product series are also expected to have a stable growth. In addition, the Group has participated in the government projects for over 10 years and the Group has been able to enjoy a long term and steady income. The Directors expect that certain products would achieve a satisfactory sales growth and that the Group's business will be developed steadily.

The Board confirms that there had been no unfavourable trends or development which might have any material adverse impact on the Group's business, financial or trading position or outlook of the Group since 30 September 2013 (the date to which the latest consolidated financial statements of the Group were made up) and up to and including the date of this announcement.

## **BIOGRAPHICAL DETAILS OF DIRECTORS, SUPERVISORS AND COMPANY SECRETARY**

The Company discloses below the biographical information of each current Director, Supervisor and Company Secretary:

### ***Executive Directors***

**Mr. Jiang Guoxing**, aged 60, joined the Company in July 1998, is the Chairman 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”) in February 1977.

He is also the director and general manager of Shanghai Fudan Fuhua Technology Company Limited, a company listed on the Stock Exchange of Shanghai since November 2007. He was the in-charge of the School of Industrialization and School Property Office in Fudan University from February 1995 to October 2007. He was the non-executive director of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd., a company listed on the GEM.

The current term of office of Mr. Jiang as an executive Director commenced on 19 July 2012 and will end on 18 July 2015 and will continue thereafter unless terminated by a three months’ prior written notice by either party and will be subject to retirement by rotation or re-election in accordance with the Articles of Association.

Mr. Jiang is entitled to an annual determined annual salary of RMB300,000 for 2013. The remuneration payable to Mr. Jiang is determined by the Remuneration Committee, with reference to his contribution of time, effort and expertise on the Company’s matters.

As of the date of this announcement, Mr. Jiang is interested in 8,652,300 Domestic Shares, representing 1.4% of the Company’s total issued share capital.

**Mr. Shi Lei**, aged 46, joined the Company in July 1998, is the Managing Director of the Company and a director of the Company’s subsidiary, Shanghai Fudan Microelectronics (HK) Limited (“Fudan HK”). He is a professor grade senior engineer and was graduated with a bachelor’s degree and a master’s degree in management respectively from the China University of Technology in August 1990 and the Fudan University in August 1993, respectively.

Prior to joining the Company, Mr. Shi was the deputy manager in the Development Division of Shanghai Agricultural Investments Company from September 1993 to September 1997 and the general manager of Shanghai Pacific Commercial Trust Company Limited from December 1997 to August 1998. He is also the chairman of the Company’s substantial shareholders, Shanghai Commerce and Invest (Group) Corporation (“SCI”) and Shanghai Fudan Technology Enterprise Holdings Limited since October 2006.

The current term of office of Mr. Shi as an executive Director commenced on 19 July 2012 and will end on 18 July 2015 and will continue thereafter unless terminated by a three months’ prior written notice by either party and will be subject to retirement by rotation or re-election in accordance with the Articles of Association.

Mr. Shi is entitled to an annual determined annual salary of RMB1,320,000 for 2013. The remuneration payable to Mr. Shi is determined by the Remuneration Committee, with reference to his contribution of time, effort and expertise on the Company's matters. Apart from and in addition to the above salary, Mr. Shi is entitled to an incentive bonus each year, which is determined by the Remuneration Committee with reference to the profitability of the Group and the market conditions.

As of the date of this announcement, Mr. Shi is interested in 20,190,000 Domestic Shares, representing 3.27% of the Company's total issued share capital.

**Mr. Yu Jun**, aged 45, joined the Company in July 1998, is the Deputy Managing Director of the Company and a director respectively of the Company's subsidiaries namely, Beijing Fudan Microelectronics Technology Company Limited, Shanghai Doublepoint Information Technology Co., Ltd. and Shanghai Fukong Hualong Micro-systems Technology Limited ("Fukong Hualong"). He graduated with a bachelor's degree in Electronics Engineering and a master's degree in Electronics and Information Systems from the Fudan University in July 1990 and July 1998 respectively and is a senior engineer.

Mr. Yu was the tutor and deputy director of the Research Institute for Integrated Circuit Designs of the Fudan University and the chief engineer of Shanghai Fudan High Tech Company since 1990 before joining the Company. He has extensive knowledge and experience in the design of integrated circuits and systems.

The current term of office of Mr. Yu as an executive Director commenced on 19 July 2012 and will end on 18 July 2015 and will continue thereafter unless terminated by a three months' prior written notice by either party and will be subject to retirement by rotation or re-election in accordance with the Articles of Association.

Mr. Yu is entitled to an annual determined annual salary of RMB1,000,000 for 2013. The remuneration payable to Mr. Yu is determined by the Remuneration Committee, with reference to his contribution of time, effort and expertise on the Company's matters. Apart from and in addition to the above salary, Mr. Yu is entitled to an incentive bonus each year, which is determined by the Remuneration Committee with reference to the profitability of the Group and the market conditions.

As of the date of this announcement, Mr. Yu is interested in 10,961,530 Domestic Shares, representing 1.78% of the Company's total issued share capital.

**Ms. Cheng Junxia**, aged 67, joined the Company in July 1998, is the Chief Engineer of the Company. She graduated with a degree in semiconductor of physics department from Fudan University in August 1970.

She was a professor and a director of the Research Institute for Integrated Circuit Designs of the Fudan University from 1995 to 1998 and she is the general manager of Shanghai Fudan High Tech Company from 1995. She has extensive knowledge and experience in the design and manufacture of integrated circuits.

The current term of office of Ms. Cheng as an executive Director commenced on 19 July 2012 and will end on 18 July 2015 and will continue thereafter unless terminated by a three months' prior written notice by either party and will be subject to retirement by rotation or re-election in accordance with the Articles of Association.



Ms. Cheng is entitled to an annual determined annual salary of RMB700,000 for 2013. The remuneration payable to Ms. Cheng is determined by the Remuneration Committee, with reference to her contribution of time, effort and expertise on the Company's matters. Apart from and in addition to the above salary, Ms. Cheng is entitled to an incentive bonus each year, which is determined by the Remuneration Committee with reference to the profitability of the Group and the market conditions.

As of the date of this announcement, Ms. Cheng is interested in 8,076,920 Domestic Shares, representing 1.31% of the Company's total issued share capital.

**Mr. Wang Su**, aged 60, joined the Company in July 1998, is an accountant. He is the Financial Controller and a member of the nomination committee and remuneration committee of the Company, respectively, and a director of the Company's subsidiaries namely, Shenzhen Fudan Microelectronics Company Limited, Fudan HK and Fukong Hualong, respectively. He is also a director of SCI and was previously its fund manager from October 1997 to January 2001 as well as the deputy manager of the Finance Department and the financial controller from August 1992 to October 1997 of Shanghai Pacific Commercial Trust Company Limited.

He graduated from Shanghai First Commercial Bureau Staff University in July 1987 majoring in business administration and graduated from the Shanghai East China Normal University in July 1988 majoring in political history.

The current term of office of Mr. Wang as an executive Director commenced on 19 July 2012 and will end on 18 July 2015 and will continue thereafter unless terminated by a three months' prior written notice by either party and will be subject to retirement by rotation or re-election in accordance with the Articles of Association.

Mr. Wang is entitled to an annual determined annual salary of RMB600,000 for 2013. The remuneration payable to Mr. Wang is determined by the Remuneration Committee, with reference to his contribution of time, effort and expertise on the Company's matters. Apart from and in addition to the above salary, Mr. Wang is entitled to an incentive bonus each year, which is determined by the Remuneration Committee with reference to the profitability of the Group and the market conditions.

As of the date of this announcement, Mr. Wang is interested in 7,211,530 Domestic Shares, representing 1.17% of the Company's total issued share capital.

#### ***Non-executive Directors***

**Ms. Zhang Qianling**, aged 77, joined the Company in July 1998, was graduated from Department of Physics of Fudan University in July 1960 and 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. She is the director of Shanghai Fudan High Tech Company since 1995 and was the director of Shanghai Huahong Integrated Circuit Co. Ltd. from December 1998 to June 2006.

The current term of office of Ms. Zhang as a non-executive Director commenced on 19 July 2012 and will end on 18 July 2015 and will continue thereafter unless terminated by a three months' prior written notice by either party and will be subject to retirement by rotation or re-election in accordance with the Articles of Association.

Ms. Zhang will not receive any Director's fee nor allowance

As of the date of this announcement, Ms. Zhang is interested in 1,733,650 Domestic Shares, representing 0.28% of the Company's total issued share capital.

**Mr. He Lixing**, aged 79, joined the Company in July 1998, is a senior economist. He was Vice Chairman and Secretary of Shanghai City Commercial Accounting Association from 2001 to 2012. He was previously the chief economist of SCI from 1995 to 2001 and the director of the Finance Department of the Finance and Trade Office of the Shanghai Municipal Government from 1986 to 1994. He was the officer and head of the Shanghai Tax Bureau from 1975 to 1985.

The current term of office of Mr. He as a non-executive Director commenced on 19 July 2012 and will end on 18 July 2015 and will continue thereafter unless terminated by a three months' prior written notice by either party and will be subject to retirement by rotation or re-election in accordance with the Articles of Association.

Mr. He will not receive any Director's fee or allowance.

As of the date of this announcement, Mr. He is interested in 1,442,300 Domestic Shares, representing 0.23% of the Company's total issued share capital.

**Mr. Shen Xiaozu**, aged 64, is a senior economist. He joined the Company in July 1998 and is a member of the audit committee of the Company. He is the director of an investment fund in Shanghai from January 2010 and was previously the Chairman of Shanghai Asia & Pacific Computer Information System Co., Ltd. from May 2007 to April 2011. He was the assistant to the general manager of SCI, the deputy general manager of Shanghai Xinlian Real Estate Company from September 1993 to January 2001, the headmaster of Shanghai Mechanical Engineering Industrial College from September 1990 to September 1993, the deputy general manager of Shanghai Petrochemical General Machinery Corporation and Shanghai General Machinery Corporation from June 1985 to August 1990, and the assistant engineer of the research department of Shanghai General Machinery Corporation from February 1982 to May 1985. He graduated with a bachelor's degree in the Department of Power from Xi'an Jiaotong University in January 1982 and a master's degree in management from Shanghai Jiaotong University in July 1990.

The current term of office of Mr. Shen as a non-executive Director commenced on 19 July 2012 and will end on 18 July 2015 and will continue thereafter unless terminated by a three months' prior written notice by either party and will be subject to retirement by rotation or re-election in accordance with the Articles of Association.

Mr. Shen will not receive any Director's fee nor allowance.

As of the date of this announcement, Mr. Shen is interested in 1,442,300 Domestic Shares, representing 0.23% of the Company's total issued share capital.

### ***Independent non-executive Directors***

**Mr. Cheung Wing Keung**, aged 49, joined the Company in May 2004 and is also a member of the audit committee, the remuneration committee and nomination committee of the Company. He is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. He has over 20 years' working experience in auditing, accounting, taxation, corporate management and consultancy. He has worked in accounting firms for the period from July 1988 to December 1989 and the Hong Kong Inland Revenue Department for the period from December 1989 to July 1990 and has held senior positions in certain Hong Kong's private group companies since October 1990.

The current term of office of Mr. Cheung as an independent non-executive Director commenced on 31 May 2013 and will end on the date of the next annual general meeting of the Company to be held in May 2014 and will be subject to retirement by rotation or reelection in accordance with the Articles of Association.

Mr. Cheung will for the year 2013 (on the basis of 12 calendar months each year) be paid a Director's fee of HK\$80,000 per annum. The remuneration payable to Mr. Cheung is determined by the Remuneration Committee, with reference to his contribution of time, effort and expertise on the Company's matters.

**Mr. Guo Li**, aged 67, joined the Company in May 2006 and is a member of the audit committee, remuneration committee and nomination committee of the Company, respectively. He is a professor and doctoral supervisor. He graduated from the Department of Radio Electronics (majoring in electronic computer) from University of Science and Technology of China in July 1970.

He is a senior member of China Electronics Academy and a member of China Image and Graphics Academy. He is now the director of the Academic Committee of Department of Science and Technology in the University of Science and Technology as well as its Laboratory of Circuit and System. Mr. Guo has been carrying the researches in digital signal processing, image processing and IC design etc. and was a visiting scholar in the Department of Computer in the University of Notre Dome in the United States.

The current term of office of Mr. Guo as an independent non-executive Director commenced on 31 May 2013 and will end on the date of the next annual general meeting of the Company to be held in May 2014 and will be subject to retirement by rotation or reelection in accordance with the Articles of Association.

Mr. Guo will for the year 2013 be paid a monthly travelling allowance of RMB3,000 but no Director's fee.

**Mr. Chen Baoying**, aged 84, joined the Company in October 2007, is a part-time professor of Nankai University. He graduated with a bachelor's degree in Nankai University in August 1952 and a master's degree in Renmin University of China in August 1956 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 Joint 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.

The current term of office of Mr. Chen as an independent non-executive Director commenced on 31 May 2013 and will end on the date of the next annual general meeting of the Company to be held in May 2014 and will be subject to retirement by rotation or reelection in accordance with the Articles of Association.

Mr. Chen will for the year 2013 be paid a monthly travelling allowance of RMB3,000 but no Director's fee.

**Mr. Lin Fujiang**, aged 55, appointed on 24 December 2012, is currently a professor of the School of Information Science and Technology and a doctoral supervisor of the Department of Electronics Science and Technology of the University of Science and Technology of China (the "USTC"). He graduated with degrees of Bachelor and Master in electronic engineering and technology from the USTC in February 1982 and October 1984 respectively and a Doctorate degree in electrical and electronic engineering from the University of Kassel, Germany, in June 1993.

Professor Lin was one of the National "Thousand Talent" Professors in 2010 and has been engaged for a long time in the multidisciplinary research of microwave and microelectronics, especially with a series of achievements in advanced radio frequency semi-conductors and circuits integration modeling and simulation, and is a renowned practical radio frequency modeling expert. He has presented more than a hundred scholarly essays in subscriptions, magazines and conferences and holds several intellectual rights in electronic technology jointly with various famous scholars, and is a well-known scholar in electronics science and technology.

The current term of office of Mr. Lin as an independent non-executive Director commenced on 31 May 2013 and will end on the date of the next annual general meeting of the Company to be held in May 2014 and will be subject to retirement by rotation or reelection in accordance with the Articles of Association.

Mr. Lin will for the year 2013 be paid a monthly travelling allowance of RMB3,000 but no Director's fee.

## *Supervisors*

**Mr. Li Wei**, aged 42, joined the Company in July 1998, is the Technical Officer of the Company and he also served as assistant general manager, marketing manager, technical planning director, technical director of the Company. He is also the managing director of Fukong Hualong. He has a master's degree in semiconductor physics and physics of semiconductor devices granted by Department of Electronic Engineering of Fudan University in July 1996. Mr. Li specializes in integrated circuit design and has conducted in-depth research on the coding and integrated protocol bases.

The current term of office of Mr. Li as a Supervisor commenced on 19 July 2012 and will end on 18 July 2015 and will continue thereafter unless terminated by a three months' prior written notice by either party and will be subject to re-election in accordance with the Articles of Association.

Mr. Li is not entitled to any Supervisor's fee nor allowance.

As of the date of this announcement, Mr. Li is interested in 6,057,690 Domestic Shares, representing 0.98% of the Company's total issued share capital.

**Ms. Lu Beili**, aged 50, joined the Company in June 2008, has a master's degree in business management and administration granted by The Open University of Macau in April 2003. She is the deputy general manager and chief accountant since June 1999 and was the deputy chief accountant from January 1993 to June 1999 of the Shanghai Foreign Trade and Investment Development Limited. She had worked for the Industry and Commerce Bank of China from 1981 to 1990 and the Shanghai Foreign Trade and Investment Development Limited from 1990 to 1993.

The current term of office of Ms. Lu as a Supervisor commenced on 1 June 2011 and will end on 31 May 2014 and will continue thereafter unless terminated by a three months' prior written notice by either party and will be subject to re-election in accordance with the Articles of Association.

Ms. Lu is not entitled to any Supervisor's fee nor allowance.

**Mr. Wei Ran**, aged 57, joined the Company in May 2009, holds a master degree in Business Administration granted by School of Management of Fudan University in December 1998 and is a senior economist. He is a director of Fukong Hualong since October 2007 and was the fund manager, assistant to general manager and the deputy general manager of SCI from January 2001 to May 2013 and is the chairman since May 2013, the chairman of Shanghai Commercial Investment Enterprise Limited since January 2013 and has been the vice chairman of Shanghai Xujiahui Shopping Mall Company Limited since September 2001. He has substantial experience in corporate merger, re-structuring, investment and financing.

The current term of office of Mr. Wei as a Supervisor commenced on 22 May 2012 and will end on 21 May 2015 and will continue thereafter unless terminated by a three months' prior written notice by either party and will be subject to re-election in accordance with the Articles of Association.

Mr. Wei is not entitled to any Supervisor's fee nor allowance.

As of the date of this announcement, Mr. Wei is interested in 288,460 Domestic Shares, representing 0.05 % of the Company's total issued share capital.

### ***Company Secretary***

**Mr. Li Wing Sum Steven**, aged 57, joined the Company in July 2000, is the Qualified Accountant and Company Secretary of the Company. He is a fellow member respectively of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and the Taxation Institute of Hong Kong and a member of the Hong Kong Institute of Directors. He has over 30 years' experience in auditing, accounting, taxation and financial management. He has worked in an international accounting firm for the period from December 1976 to July 1979 and had been employed as group financial controller of various companies including a listed company in Hong Kong as well as a multinational organization since December 1985 to March 1993. He is the independent non-executive director of Xinjiang Xinxin Mining Industry Co., Ltd., a company listed on the main board of the Stock Exchange since October 2011, and was the independent non-executive director of Ruifeng Petroleum Chemical Holdings Limited, a company listed on the GEM, from 1 June 2012 to 5 October 2013.

None of the Directors has any written service contract with the Company which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Save as disclosed above, none of the Directors (i) has held any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (ii) as at the date of this announcement, has any interest in the Shares which required to be disclosed under Part XV of the Securities and Future Ordinance; and (iii) has any relationship with any other directors, senior management or substantial shareholders of the Company.

Save as disclosed above, there is no information relating to the Directors that is required to be disclosed pursuant to Rules 13.51(2)(h)-(v) of the Main Board Listing Rules and the Board is not aware of any other matter that needs to be brought to the attention of the Shareholders in relation to their directorships.

### **WAIVER FROM STRICT COMPLIANCE WITH THE MAIN BOARD LISTING RULES**

Pursuant to Rules 8.12 and 19A.15 of the Main Board Listing Rules, the Company must have a sufficient management presence in Hong Kong. This will normally mean that at least two of its executive Directors must be ordinarily resident in Hong Kong except as otherwise permitted by the Stock Exchange.

As the Group's business and operations are principally carried out in the PRC and substantially all of the Group's assets are based in the PRC, the executive Directors and members of the senior management of the Group are and will therefore be expected to continue to be based in the PRC. The Group does not have any business activities in Hong Kong except for a subsidiary established in Hong Kong for the purpose of overseas sales. The Company will not, and does not contemplate in the foreseeable future that it will have sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 and 19A.15 of the Main Board Listing Rules.

Therefore, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement to have a sufficient management presence in Hong Kong under Rules 8.12 and 19A.15 of the Main Board Listing Rules subject to the following arrangements:

1. The Company has appointed two authorised representatives, namely Shi Lei, Managing Director and Mr. Wang Su, an executive Director as the Company's principal channel of communication with the Stock Exchange pursuant to Rule 3.05 of the Main Board Listing Rules, who have been acting as the authorized representatives of the Company pursuant to Rule 5.24 of the GEM Listing Rules since 4 August 2000 and will continue to act as such upon the Transfer of Listing. Each of the authorised representatives will be authorised to communicate on behalf of the Company with the Stock Exchange ;
2. Each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period. Further, the authorised representatives of the Company have the telephone and fax numbers and e-mail addresses of all the Directors and are able to contact all the Directors promptly at all times as and when the Stock Exchange wishes to contact them on any matter, and in the event that a Director expects to travel and be out of office, he/she will have to provide phone number of the place of his/her accommodation or means of communication to the authorised representatives. All Directors will provide their mobile numbers, office telephone numbers, facsimile numbers and email addresses to the Stock Exchange ; and
3. The authorised representatives of the Company will continue to act as the principal channel of communication between the Company and the Stock Exchange. Each of the Directors has confirmed that he/she will be able to meet with the Stock Exchange within a reasonable time frame upon request of the Stock Exchange, if required. They will be readily contactable by telephone, facsimile and email by the Stock Exchange.

## **SUBSTANTIAL SHAREHOLDERS**

As at 30 December 2013, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO: –

Name	Notes	Capacity and nature of interest	Number of ordinary shares held	Class of shares	Percentage of shareholding on relevant class of shares	Percentage of the Company's issued share capital
Shanghai Fudan High Tech Company	(1)	Directly beneficially owned	106,730,000	Domestic shares	28.46	17.29
Shanghai Fudan Technology Enterprise Holdings Limited	(2)	Directly beneficially owned	109,620,000	Domestic shares	29.23	17.76
Shanghai Commerce Invest (Group) Corporation	(3)	Interest of corporation controlled	109,620,000	Domestic shares	29.23	17.76

Shanghai Zhengben Investment Consultant Partnership Enterprise	(3)	Directly beneficially owned	52,167,270	Domestic shares	13.91	8.45
Shanghai Zhenghua Investment Consultant Partnership Enterprise	(3)	Directly beneficially owned	47,443,420	Domestic shares	12.65	7.68
Shanghai Guonian Investment Consultant Partnership Enterprise	(3)	Directly beneficially owned	29,941,470	Domestic shares	7.98	4.85
Springs China Opportunities Master Fund	(4)	Interest of corporation controlled	24,086,000	H shares	9.94	3.90

*Notes:*

1. Shanghai Fudan High Tech Company is a state-owned enterprise wholly-owned by Fudan University.
2. The ordinary shares are directly held by Shanghai Fudan Technology Enterprise Holdings Limited, which is 90% owned by SCI. SCI is a state-owned enterprise wholly owned by the Shanghai Municipal Government.
3. All partners are executive and non-executive directors, supervisors, certain employees and ex-employees of the Company, various employees of University Laboratory and SCI as well as various individuals engaged in technological co-operation with the University Laboratory. The amount of long positions in domestic shares of the Company held by the directors and supervisors through partner enterprises is 66,056,680 which represent approximately 10.7% of the Company's issued share capital.
4. The beneficial owners are namely Chi Rui and Zhao Jun.

**DOCUMENTS AVAILABLE FOR VIEWING**

Copies of the following documents will be made available for viewing on the Company's website at [www.fms.com](http://www.fms.com) and on the website of the Stock Exchange at [www.hkgem.com](http://www.hkgem.com):

- (a) the Memorandum and Articles of Association of the Company;
- (b) the Directors' report and the annual report of the Company for the financial year ended 31 December 2012;
- (c) the third quarterly report of the Company for the nine months ended 31 September 2013;
- (d) the interim report of the Company for the six months ended 30 June 2013;



- (e) the first quarterly report of the Company for the three months ended 31 March 2013;
- (f) the circular of the Company dated 2 August 2013 in respect of the Transfer of Listing and Articles Amendment;
- (g) the circular of the Company dated 28 March 2013 in respect of the renewal of general mandate to issue shares, re-election of directors and notice of annual general meeting; and
- (h) the circular of the Company dated 29 March 2012 in respect of the renewal of general mandate to issue shares, re-election of directors, proposed amendments to articles and notice of annual general meeting.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Articles” or “Articles of Association”	the articles of association of the Company prevailing from time to time
“Articles Amendments”	the amendments made to the Articles of Association to comply with the relevant requirements of the Main Board Listing Rules which will become effective upon the date of listing of and commencement of dealing in H Shares on the Main Board
“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 with the H Shares currently listed on the GEM (stock code: 8102)
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Domestic Share(s)”	ordinary share(s) with a par value of RMB0.10 each in the capital of the Company and subscribed for in RMB
“Directors”	Directors of the Company
“GEM”	Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“H Share(s)”	ordinary share(s) with a par value of RMB 0.10 each in the share capital of the Company and subscribed for in HK dollars

“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Main Board”	the securities market operated by the Stock Exchange prior to the establishment of GEM (excluding the options market) which continues to be operated by the Stock Exchange parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM
“Main Board Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	The People’s Republic of China, which, for the purpose of this announcement, shall exclude Hong Kong, Macau and Taiwan
“Shareholder(s)”	the shareholder(s) of the Company
“Share(s)”	the Domestic Share(s) and the H Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the member(s) of the supervisory committee of the Company
“Transfer of Listing”	the proposed transfer of the listing of the H Shares from GEM to Main Board
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	Percent

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

Shanghai, the PRC, 30 December 2013

*As at the date of this announcement, the Company’s executive directors are Mr. Jiang Guoxing, Mr. Shi Lei, Mr. Yu Jun, Ms. Cheng Junxia and Mr. Wang Su; non-executive directors are Ms. Zhang Qianling, Mr. He Lixing and Mr. Shen Xiaozu and independent non-executive directors are Mr. Cheung Wing Keung, Mr. Guo Li, Mr. Chen Baoying and Mr. Lin Fujiang.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Main Board Listing Rules and the GEM Listing Rules 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 announcement 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 announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its publication and will also be published on the “Listing Company Information” page of the Stock Exchange’s website at <http://www.hkexnews.hk> and on the Company’s website <http://www.fmsh.com>.*

*\* for identification purposes only*