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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action you should take, you should consult a 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 SIM Technology Group Limited, you should at once hand this circular, together with the enclosed form of proxy to the purchaser or the transferee or to the bank, a licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**SIM Technology**

**SIM Technology Group Limited**

**晨訊科技集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2000)**

**PROPOSED GENERAL MANDATES  
TO ISSUE AND TO REPURCHASE SHARES;  
RE-ELECTION OF DIRECTORS;  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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The notice convening the annual general meeting of SIM Technology Group Limited to be held at Unit A, 29th Floor, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Friday, 30 May 2014 at 10:00 a.m. is set out on pages 4 to 7 of this circular. Whether or not you are able to attend the annual general meeting in person, you are requested to complete the form of proxy accompanying the notice of the annual general meeting in accordance with the instructions printed thereon and return it to the Company's principal place of business in Hong Kong at Unit 2908, 29th Floor, 248 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

\* *For identification purposes only*

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LETTER FROM THE BOARD OF DIRECTORS

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**SIM Technology**

**SIM Technology Group Limited**

**晨訊科技集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2000)**

*Executive Directors:*

Ms Yeung Man Ying (*Chairman*)

Mr Wong Cho Tung

Mr Zhang Jianping

Ms Tang Rongrong

Mr Chan Tat Wing, Richard

Mr Liu Hong

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Principal place of business*

*in Hong Kong:*

Unit 2908, 29th Floor

248 Queen's Road East

Wanchai

Hong Kong

*Independent non-executive Directors:*

Mr Liu Hing Hung

Mr Xie Linzhen

Mr Dong Yunting

29 April 2014

*To the Shareholder*

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES  
TO ISSUE AND TO REPURCHASE SHARES;  
AND  
RE-ELECTION OF DIRECTORS**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the annual general meeting of SIM Technology Group Limited (“**Company**”) to be held on Friday, 30 May 2014 at Unit A, 29th Floor, Admiralty Centre I, 18 Harcourt Road, Hong Kong (“**Annual General Meeting**”), the notice of which (“**Notice of the Annual General Meeting**”) is set out on pages 4 to 7 of this circular. These proposed resolutions include the ordinary resolutions to (i) grant the directors of the Company (“**Directors**”) general mandates to allot, issue and deal with shares of HK\$0.10 each of the Company (“**Share**”) and repurchase issued Shares and, subject to the passing of the resolutions approving the grant of the aforesaid general mandates, to extend the general

\* For identification purposes only

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## LETTER FROM THE BOARD OF DIRECTORS

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mandate to allot, issue and deal with additional Shares by an amount not exceeding the amount of Shares purchased by the Company under the authority to repurchase; and (ii) re-elect the Directors who are due to retire at the Annual General Meeting.

### GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed in the terms set out in Resolution 4A of the Notice of the Annual General Meeting to renew the general and unconditional mandate to authorise the Directors to allot, issue and otherwise deal with new Shares of up to 20 per cent. (20%) of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the resolution with effect from the expiry of the current general mandate to issue Shares granted to the Directors at the last annual general meeting of the Company held on 28 May 2013 (“**Issue Mandate**”). As at 22 April 2014, being the latest practicable date prior to the printing of this circular (“**Latest Practicable Date**”), a total of 2,557,498,500 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 511,499,700 Shares.

At the Annual General Meeting, an ordinary resolution will be proposed in the terms set out in Resolution 4B of the Notice of the Annual General Meeting to renew the general mandate to authorise the Directors to exercise the powers of the Company to repurchase Shares up to a limit of 10 per cent. (10%) of the aggregate nominal amount of the Company’s issued share capital at the date of passing the resolution (“**Repurchase Mandate**”).

In addition, if the resolutions approving the Issue Mandate and the Repurchase Mandate are passed, an ordinary resolution will be proposed to authorise the Directors to allot, issue and otherwise deal with further Shares up to an amount equal to the aggregate nominal amount of the Shares purchased under the Repurchase Mandate (“**Extension Mandate**”).

An explanatory statement as required under the Rules (“**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) giving information regarding the Repurchase Mandate is set out in Appendix I to this circular.

### RE-ELECTION OF DIRECTORS

In accordance with bye-law 87 of the bye-laws of the Company (“**Bye-laws**”), at the Annual General Meeting, each of Ms Tang Rongrong, Mr Liu Hing Hung and Mr Xie Linzhen will retire from office and being eligible, will offer himself/herself for re-election.

Details of the Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

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## LETTER FROM THE BOARD OF DIRECTORS

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### VOTING BY POLL AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all the resolutions put to the vote at the Annual General Meeting will be taken by way of poll. The chairman of the Annual General Meeting will explain the procedures for conducting a poll at the commencement of the Annual General Meeting. To the best of the Directors' knowledge information and belief, none of the shareholders of the Company is required to abstain from voting for the resolutions to be proposed at the Annual General Meeting.

After the conclusion of the Annual General Meeting, the poll results will be published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.sim.com](http://www.sim.com).

### ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting to be held at Unit A, 29th Floor, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Friday, 30 May 2014 at 10:00 a.m. is set out on pages 4 to 7 of this circular. Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete the form of proxy accompanying the Notice of the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's principal place of business in Hong Kong at Unit 2908, 29th Floor, 248 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjourned meeting. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjourned Annual General Meeting should you so wish.

### RECOMMENDATION

The Directors believe that all the ordinary resolutions in respect of the granting of the Issue Mandate, the Repurchase Mandate, the Extension Mandate and re-election of Directors, as set out in the Notice of the Annual General Meeting, are in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of all the ordinary resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
For and on behalf of the board of Directors  
**SIM Technology Group Limited**  
**Yeung Man Ying**  
*Chairman*

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## NOTICE OF ANNUAL GENERAL MEETING

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**SIM Technology**

### **SIM Technology Group Limited**

**晨訊科技集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2000)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of SIM Technology Group Limited (“**Company**”) will be held at Unit A, 29th Floor, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Friday, 30 May 2014 at 10:00 a.m. for the following purposes:

#### **ORDINARY RESOLUTIONS**

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the directors and the auditors for the year ended 31 December 2013.
2. To re-elect the retiring directors of the Company (“**Directors**”), each as a separate resolution, and to authorise the board of Directors to fix the Directors’ remuneration.
3. To re-appoint Messrs. Deloitte Touche Tohmatsu as the auditors of the Company and to authorise the board of Directors to fix their remuneration.
4. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

A. **“THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company (“**Shares**”) and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and

\* *For identification purposes only*

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## NOTICE OF ANNUAL GENERAL MEETING

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options, including warrants to subscribe for Shares, which might require the Shares of the Company to be issued, allotted or disposed of, whether during the continuance of or after the end of the Relevant Period;

- (c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than any allotment and issue of the Shares (i) pursuant to a Rights Issue (as hereinafter defined); or (ii) on the exercise of the subscription rights attaching to any warrants which may be issued by the Company from time to time; or (iii) on the exercise of any options granted under the share option schemes of the Company adopted from time to time in accordance with the Listing Rules; or (iv) in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company, shall not exceed 20 per cent. (20%) of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the bye-laws of the Company to be held; or
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations, or the expense and delay in determining the extent of any restrictions or obligations, under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong which are applicable to the Company).”

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## NOTICE OF ANNUAL GENERAL MEETING

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B. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (for the purpose of this resolution, **“Relevant Period”** shall have the same meaning as assigned to it under resolution number 4A, as set out in the notice convening this meeting) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (**“Stock Exchange”**) or on any other stock exchange on which the securities of the Company may be listed and which is recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved; and
- (b) the aggregate nominal amount of securities authorised to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. (10%) of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly.”

- C. **“THAT** conditional on the passing of the resolutions set out in paragraphs 4A and 4B of the notice convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares of the Company pursuant to the resolution set out in paragraph 4A of the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution set out in paragraph 4B of the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent. (10%) of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution.”

By order of the board of Directors  
**SIM Technology Group Limited**  
**Wong Cho Tung**  
*Director*

Hong Kong, 29 April 2014

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## NOTICE OF ANNUAL GENERAL MEETING

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*Principal place of business in Hong Kong:*

Unit 2908, 29th Floor  
248 Queen's Road East  
Wanchai  
Hong Kong

As at the date of this notice, the executive Directors are Ms Yeung Man Ying, Mr Wong Cho Tung, Mr Zhang Jianping, Ms Tang Rongrong, Mr Chan Tat Wing, Richard and Mr Liu Hong and the independent non-executive Directors are Mr Liu Hing Hung, Mr Xie Linzhen and Mr Dong Yunting.

*Notes:*

1. Any member of the Company holding two or more Shares entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, subject to the provisions of the Bye-laws, vote in his stead. A proxy need not be a member of the Company.
2. In the case of joint holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she was solely entitled thereto; but if more than one of such joint holders are present at the above meeting, the vote of the person, whether attending in person or by proxy, whose name stands first on the register of members of the Company in respect of such Share shall be accepted to the exclusion of the vote(s) of the other joint holder(s).
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 such power or authority must be deposited at the Company's principal place of business in Hong Kong at Unit 2908, 29th Floor, 248 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the above meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude any member from attending and voting at the above meeting (or any adjournment thereof) in person.
4. To ascertain the right to attend the above meeting, register of members of the Company will be closed from Wednesday, 28 May 2014 to Friday, 30 May 2014 (both days inclusive) during which period no transfer of Shares will be registered. In order to qualify for the attendance at the above meeting, all properly completed transfer forms accompanied by the relevant Share certificates must be lodged with the Company's branch registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Tuesday, 27 May 2014.
5. In relation to the proposed resolution numbered 4B above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase the securities of the Company in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders of the Company to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in appendix I to the circular despatched to the shareholders of the Company on the date hereof.

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## **APPENDIX I      EXPLANATORY STATEMENT ON REPURCHASE OF SHARES**

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The following is the explanatory statement required to be sent to shareholders of the Company under Rule 10.06(1)(b) of the Listing Rules to provide requisite information for you to make an informed decision whether to vote for or against the resolution to approve the Repurchase Mandate.

### **1. Share capital**

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,557,498,500 Shares. Subject to the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the passing of the relevant resolution at the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 255,749,850 Shares.

### **2. Reasons for repurchases**

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its shareholders as a whole. Such repurchase may, depending on market conditions and funding arrangements at the time of repurchase, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and its shareholders as a whole.

### **3. Funding of repurchases**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and the applicable laws of Bermuda. A listed company may not repurchase its own shares on the Main Board of the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Bermuda law provides that the amount to be paid in connection with a Share repurchase may only be paid out of the capital paid up on the relevant purchased Shares or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. The amount of premium payable on a repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company. It is envisaged that the funds required for any repurchase under the Repurchase Mandate would be derived from such sources.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts of the Company for the year ended 31 December 2013 in the event that the repurchase of Shares under the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

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**APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE OF SHARES**

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**4. Share prices**

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

<b>Month</b>	<b>Price per share</b>	
	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2013</b>		
April	0.295	0.250
May	0.385	0.290
June	0.520	0.335
July	0.425	0.305
August	0.375	0.330
September	0.355	0.320
October	0.345	0.320
November	0.330	0.295
December	0.370	0.300
<b>2014</b>		
January	0.500	0.315
February	0.435	0.355
March	0.530	0.350
April (up to the Latest Practicable Date)	0.430	0.370

**5. Undertaking and disclosure of interests**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Bermuda and the memorandum of association of the Company and Bye-laws.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company or its subsidiaries if the Repurchase Mandate is approved by the shareholders of the Company.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company or its subsidiaries and no such person has undertaken not to do so, in the event that the Repurchase Mandate is approved by the shareholders of the Company.

## **6.    Hong Kong Code on Takeovers and Mergers**

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Hong Kong Code on Takeovers and Mergers ("**Takeovers Code**"). As a result, a shareholder or group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Info Dynasty Group Limited, Simcom Limited and Intellipower Investments Limited, Ms Yeung Man Ying, Mr Wong Cho Tung, Mr Wong Hei, Simon and Mr Wong Sun (together the "**Concert Group**") were together beneficially interested in 1,198,448,000 Shares, representing approximately 46.86% of the issued share capital of the Company. In the event that the Directors should exercise in full the Repurchase Mandate and if there is no other change in the issued share capital of the Company and the aggregate number of issued shares in which the Concert Group is interested remains unchanged, the shareholding of the Concert Group will be increased to approximately 52.07% of the issued share capital of the Company. Accordingly, an exercise of the Repurchase Mandate in full will result in the Concert Group becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate.

Save as disclosed above, the Directors are not aware of any shareholder or group of shareholders of the Company acting in concert, who may become obliged to make a mandatory offer under Rule 26 of the Takeovers Code as a consequence of any repurchases made pursuant to the Repurchase Mandate.

## **7.    Share repurchases made by the Company**

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The biographical details of the Directors proposed to be re-elected at the Annual General Meeting are set out as follows:

**Ms Tang Rongrong (“Ms Tang”)**, aged 60, is an executive Director, vice president of the business operation headquarter (located in Shanghai, China) of the Company and its subsidiaries (“**Group**”) and a director of Shanghai Sunrise Simcom Ltd. and Shanghai SIM Technology Limited. Ms Tang has nearly 20 years of experience in human resources management, administration and corporate operation. Prior to joining the Group in 1995, Ms Tang was a physician of 江西省贛州市第一人民醫院 (Jiangxi Ganzhou First People’s Hospital) and the head of technology and deputy chief physician of 南昌市計劃生育指導所 (Nanchang Birth Planning Institute). Since then, Ms Tang has served as the manager and deputy general manager of the personnel and administration department of Shanghai Sunrise Simcom Ltd. Ms Tang graduated from 贛南醫學專科學校 (Gannan Medical College) in 1978. Ms Tang has not held any directorship in any other listed public companies during the last three years. Ms Tang does not have any relationship with any other Directors, senior management, substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Ms Tang was interested in 4,446,000 underlying shares of the Company granted under the share option schemes of the Company within the meaning of Part XV of the Securities and Futures Ordinance (“**SFO**”). Save as disclosed, Ms Tang did not have any interest in the Shares within the meaning of the SFO as at the Latest Practicable Date. Pursuant to the service agreement entered into between Ms Tang and the Company in respect of her appointment as an Director, Ms Tang is entitled to (i) a fixed salary of Renminbi 420,000 per annum, which is subject to annual review by the Remuneration Committee; (ii) a discretionary bonus as determined by the Remuneration Committee by reference to the performance of the Group and Ms Tang, and (iii) subject to the decision of the Remuneration Committee, the Company may also grant to Ms Tang options to subscribe for Shares in accordance with the share options schemes adopted or to be adopted by the Company. The emolument of Ms Tang is determined by reference to the level of remuneration package normally granted to senior executives in the industry of comparable caliber and job responsibilities. Under the service agreement between Ms Tang and the Company, Ms Tang’s appointment is for a term of one year from 31 May 2013, subject to retirement by rotation and re-election at general meetings of the Company as and when required under the Bye-laws.

**Mr Liu Hing Hung (廖慶雄先生) (“Mr Liu”)**, aged 51, is an independent non-executive Director, the chairman of the audit committee of the board of Directors and the chairman of the remuneration committee of the board of Directors. Mr Liu is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Taxation Institute of Hong Kong and also a member of the Society of Chinese Accountants and Auditors. Mr Liu now runs a professional accountancy firm in Hong Kong and has over ten years of experience in accounting, taxation, auditing and corporate finance. Mr Liu is currently an independent nonexecutive director of Emperor International Holdings Limited, a company listed on the Main Board of the Stock Exchange. Mr Liu was appointed as an independent non-executive Director in September 2008. Save as disclosed above, Mr Liu has not held any directorship in any other

public companies the securities of which are listed on any securities market in Hong Kong or overseas during the last three years. Mr Liu does not have any relationship with any other Directors, senior management, substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr Liu does not have any interest in the Shares within the meaning of Part XV of the SFO. Pursuant to the appointment letter entered into between Mr Liu and the Company, the Director's fee of Mr Liu as independent non-executive Director is US\$20,000 per annum. The remuneration package of Mr Liu is determined by reference to his duties, responsibilities and expected time commitment to the Company's affairs. Under the appointment letter between Mr Liu and the Company, Mr Liu's appointment will be for a term of one year from 25 January 2014, subject to retirement by rotation and re-election at general meetings of the Company as and when required under the Bye-laws.

Mr Liu, being an independent non-executive Director eligible for re-election at the Annual General Meeting, has made a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that Mr Liu meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines.

**Mr Xie Linzhen** (謝麟振先生) (“Mr Xie”), aged 73, is an independent non-executive Director. He graduated in 1963 from the Peking University of Physics and is a Professor of Electronics Department of Peking University. Mr Xie has acted as the deputy director of the Telecommunication System and Equipment Department in the Ministry of Electronics Industry, the PRC, the deputy director of the IT Product Department in the Ministry of Information Industry, PRC (“MIIT”) and the standing member of Communication Science and Technology Committee of Ministry of Industry and Information Technology, PRC (“MIIT”). Mr Xie is currently the vice president of China Mobile Communication Association, the chairman of China Domestic Handset Summit and the member of Electronic Science and Technology Committee of MIIT and the executive director and chief scientist of CECT-Chinacomm Communications Co, Ltd. Mr Xie is also an independent director and audit committee member of UTStarcom, Inc., the securities of which are listed on NASDAQ of the United States of America. Mr Xie was an independent director of Funtalk China Holdings Limited, the securities of which are listed on NASDAQ of the United States of America (privatized in August 2011). Mr Xie was appointed as an independent non-executive Director in January 2009. Save as disclosed above, Mr Xie has not held any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the last three years. Mr Xie does not have any relationship with any other Directors, senior management, substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr Xie does not have any interest in the Shares within the meaning of Part XV of the SFO. Pursuant to the appointment letter entered into between Mr Xie and the Company, the Director's fee of Mr Xie's as independent non-executive Director is US\$20,000 per annum. The remuneration package of Mr Xie is determined by reference to his duties, responsibilities and expected time commitment to the Company's affairs. Under the appointment letter between Mr Xie and the Company,

Mr Xie's appointment will be for a term of one year from 25 January 2014, subject to retirement by rotation and re-election at general meetings of the Company as and when required under the Bye-laws.

Mr Xie, being an independent non-executive Director eligible for re-election at the Annual General Meeting, has made a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that Mr Xie meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines.

Each of Ms Tang Rongrong, Mr Liu Hing Hung and Mr Xie Linzhen has confirmed to the board of Directors that the details set out in paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules are not relevant to him or her and therefore no information needs to be disclosed by any of them in relation to those paragraphs. Each of Ms Tang, Mr Liu and Mr Xie has further confirmed to the board of Directors that save as disclosed above, there is no other matter that needs to be brought to the shareholders' attention in relation to their re-election as Directors and there is no other information which is discloseable pursuant to any of the requirements set out in Rule 13.51(2) of the Listing Rules.