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**ZTE CORPORATION**

**中興通訊股份有限公司**

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

**(Stock Code: 763)**

## **Announcement**

### **Resolutions of the Thirty-ninth Meeting of the Fifth Session of the Board of Directors**

*The Company and all the members of the Board of Directors confirm that all the information contained in this announcement of resolutions of the Board of Directors is true, accurate and complete and that there is no false or misleading statement or material omission in this announcement.*

ZTE Corporation (the "Company") issued the "Notice of the Thirty-ninth Meeting of the Fifth Session of the Board of Directors (the "Board") of the Company" to all the Directors of the Company by electronic mail and telephone on 7 January 2013. The Thirty-ninth Meeting of the Fifth session of the Board of Directors of the Company (the "Meeting") was convened at the Shenzhen headquarters of the Company, Beijing, Shanghai, Nanjing, Xi'an, Xiamen by way of video conference on 14 January 2013. Of the 14 Directors required to attend the Meeting, 10 Directors attended in person and 4 Directors appointed proxies to attend on their behalf. Mr. Xie Weiliang, Vice Chairman, was unable to attend the Meeting due to work reasons, and has authorised in writing Mr. Hou Weigui, Chairman, to vote on his behalf. Mr. Dong Lianbo, Director, was unable to attend the Meeting due to work reasons, and has authorised in writing Mr. Hou Weigui, Chairman, to vote on his behalf. Mr. Wei Wei, Independent Director, was unable to attend the Meeting due to work reasons, and has authorised in writing Mr. Tan Zhenhui, Independent Director, to vote on his behalf. Mr. Chen Naiwei, Independent Director, was unable to attend the Meeting due to work reasons, and has authorised in writing Mr. Tan Zhenhui, Independent Director, to vote on his behalf. The

Meeting was convened and held in accordance with the relevant laws, administrative regulations, departmental rules and the Articles of Association, and was legal and valid.

**The following resolutions were considered and passed at the Meeting:**

**I. Consideration and approval of the “Concluding Work Report of the Fifth Session of the Board of Directors.”**

Voting results: For: 14; against: 0; abstained: 0.

**II. Consideration and approval of the “Resolution on the Re-election of the Board of Directors and Nomination of Candidates for Directors of the Sixth Session of the Board of Directors,” the details of the resolution are as follows:**

1. The Fifth Session of the Board of Directors of the Company has nominated Mr. Hou Weigui, Mr. Zhang Jianheng, Mr. Xie Weiliang, Mr. Wang Zhanchen, Mr. Zhang Junchao, Mr. Dong Lianbo, Mr. Shi Lirong, Mr. Yin Yimin and Mr. He Shiyou as candidates for Non-independent Directors of the Sixth Session of the Board of Directors of the Company, and Ms. Qu Xiaohui, Mr. Wei Wei, Mr. Chen Naiwei, Mr. Tan Zhenhui and Mr. Timothy Alexander Steinert as candidates for Independent Non-executive Directors of the Sixth Session of the Board of Directors of the Company.

In accordance with the “Guidelines for the Establishment of the System of Independent Non-executive Directors in Listed Companies” 《關於在上市公司建立獨立董事制度的指導意見》 issued by the China Securities Regulatory Commission (“CSRC”) which stipulate that “the term of Independent Non-executive Directors of a listed company shall be the same as the term of other directors of that listed company, and Independent Non-executive Directors may offer themselves for re-election upon the conclusion of a term subject to a maximum period of six years for consecutive terms of office,” the term of office as candidates for Independent Non-executive Directors of the Sixth Session of the Board of Directors of Ms. Qu Xiaohui, Mr. Wei Wei and Mr. Chen Naiwei, who were first appointed Independent

Non-executive Directors of the Fifth Session of the Board of Directors on 22 July 2009, will commence on 30 March 2013 and end on 21 July 2015 following the shareholders' resolution approving their appointments. The term of office as candidate for Independent Non-executive Director of the Sixth Session of the Board of Mr. Timothy Alexander Steinert, who intends to discontinue his office as Independent Non-executive Director of the Company after 29 June 2013 owing to his work arrangement as chief legal officer of Alibaba Group Holding Limited, will commence on 30 March 2013 and end on 29 June 2013 following the shareholders' resolution approving his appointment. Upon the conclusion of such terms, the Company will actively identify candidates for Independent Non-executive Directors to replace Ms. Qu Xiaohui, Mr. Wei Wei, Mr. Chen Naiwei and Mr. Timothy Alexander Steinert as Independent Non-executive Directors of the Company, in order to fulfill relevant requirements of the laws and the Articles of Association on the proportion of Independent Non-executive Directors on the Board of Directors. Candidates of the Sixth Session of the Board of Directors other than Ms. Qu Xiaohui, Mr. Wei Wei, Mr. Chen Naiwei and Mr. Timothy Alexander Steinert shall serve a term commencing on 30 March 2013 and ending on 29 March 2016 following the shareholders' resolution approving their appointments.

2. The tabling of the aforesaid candidates for Directors of the Sixth Session of the Board of Directors of the Company at the First Extraordinary General Meeting of 2013 of the Company for consideration is hereby approved.

Voting results: For: 14; against: 0; abstained: 0.

(Please refer to Annex I for biographies of the aforesaid candidates for Directors.)

The Company will submit the information on the aforesaid candidates for Independent Non-executive Directors to the Shenzhen Stock Exchange and then tabled at the general meeting for consideration and voting if such information is approved by the Shenzhen Stock Exchange without dissent.

**III. Consideration and approval of the “Resolution on the Amendment of Relevant Clauses of the Articles of Association,” and the tabling of the resolution at the First Extraordinary General Meeting of the Company of 2013 is hereby approved, the details of the resolution are as follows:**

1. In accordance with the requirements of the “Notice on Further Implementation of Proceedings pertaining to Cash Dividend Distributions by Listed Companies” 《關於進一步落實上市公司現金分紅有關事項的通知》 issued by the CSRC and taking into account the actual conditions of the Company, the Company has amended clauses relating to profit distribution policies in the Articles of Association, with details as follows:

The original article	The amended article
<p><b>Article 234</b> The profit distribution policy of the Company shall be as follows:</p> <p>(I) Reasonable investment returns for investors should be a key consideration in the profit distribution of the Company and continuity and stability should be maintained in its profit distribution policy;</p> <p>(II) Cash dividends and other amounts payable by the Company to domestic shareholders shall be computed, declared and payable in RMB. Cash dividends and other amounts payable by the Company to H Shareholders shall be computed and declared in RMB and payable in Hong Kong Dollars. Foreign currency requirements of the Company for the payment of cash dividends and other amounts to holders of overseas-listed foreign shares shall be procured in accordance with the relevant</p>	<p><b>Article 234</b> The profit distribution policy of the Company shall be as follows:</p> <p>(I) Reasonable investment returns for investors should be a key consideration in the profit distribution of the Company and continuity and stability should be maintained in its profit distribution policy;</p> <p>(II) Cash dividends and other amounts payable by the Company to domestic shareholders shall be computed, declared and payable in RMB. Cash dividends and other amounts payable by the Company to H Shareholders shall be computed and declared in RMB and payable in Hong Kong Dollars. Foreign currency requirements of the Company for the payment of cash dividends and other amounts to holders of overseas-listed foreign shares shall be procured in accordance with the relevant</p>

The original article	The amended article
<p>national regulations on foreign exchange administration;</p> <p>(III) Dividends may be distributed by the Company by way of cash and/or shares. Interim cash dividend may be distributed. Accumulated distribution of profit by way of cash by the Company in the three preceding years shall be no less than 30% of the annual average profit available for distribution realised in those three preceding years;</p> <p>(IV) Where the Board of Directors of the Company has not made any proposal for cash profit distribution, the reason for the non-distribution and the use of the undistributed funds retained by the Company should be disclosed in its periodic reports, and the Independent Non-executive Directors should furnish an independent opinion thereon; and</p> <p>(V) Where fund appropriation by a shareholder against regulation has been identified, deductions should be made by the Company against the cash dividend which should otherwise be distributed to such shareholder in reimbursement of the funds appropriated.</p>	<p>national regulations on foreign exchange administration;</p> <p>(III) Dividends may be distributed by the Company by way of cash and/or shares. Interim cash dividend may be distributed. Accumulated distribution of profit by way of cash by the Company in the three preceding years shall be no less than 30% of the annual average profit available for distribution realised in those three preceding years.</p> <p><b>The Company may conduct cash dividend distributions subject to the following conditions:</b></p> <ol style="list-style-type: none"> <li><b>1. The Company having reported positive profit available for distribution for the year (namely profit after taxation after making up for losses and allocations for reserve funds) with ample cash flow and the distribution of cash dividends not affecting the normal operation and long-term development of the Company;</b></li> <li><b>2. The auditor having furnished a standard, unqualified audit report in respect of the Company's financial report for the year;</b></li> <li><b>3. The Company having reported a sound gear ratio and having no significant investment plans or significant cash</b></li> </ol>

The original article	The amended article
	<p>expenditure for the next 12 months in relation to any proposed external investments, asset acquisitions or purchases of equipment with an aggregate expenditure reaching or exceeding 10% of the Company's latest audited net assets.</p> <p>(IV) Profit distribution shall be carried out first and foremost in the form of cash distribution. Depending on the actual conditions of the Company, profit distribution may alternatively be carried out by way of bonus share distribution. Bonus share distribution may be implemented independently or in combination with cash dividend distribution. In determining the specific amount for profit distribution by way of bonus share distribution, sufficient consideration should be given to whether the total share capital after the distribution of profit by way of share issue will be compatible with the current scale of business and rate of profit growth, so as to ensure that the distribution plan is in line with the overall and long-term interests of all shareholders .</p> <p>(V) The Board of the Company shall take into full consideration the opinion of the Independent Non-executive Directors when formulating proposals for the Company's profit distribution, and an independent</p>

The original article	The amended article
	<p><b>opinion shall be furnished by the Independent Non-executive Directors;</b> where the Board of Directors of the Company has not made any proposal for cash profit distribution, the reason for the non-distribution and the use of the undistributed funds retained by the Company should be disclosed in its periodic reports, and the Independent Non-executive Directors should furnish an independent opinion thereon.</p> <p>(VI) Where fund appropriation by a shareholder against regulation has been identified, deductions should be made by the Company against the cash dividend which should otherwise be distributed to such shareholder in reimbursement of the funds appropriated.</p> <p><b>(VII) The Company shall implement the profit distribution policy stipulated in these Articles and profit distribution plans considered and approved at general meetings in a stringent manner. Where it becomes genuinely necessary to adjust the stated profit distribution policy and profit distribution plans considered and approved at general meetings, such adjustments shall be discussed at and approved by the Board of the Company (with the Independent Non-executive Directors furnishing an independent opinion) and then submitted</b></p>

The original article	The amended article
	<p><b>to the general meeting for consideration and approval by way of a special resolution before implementation.</b></p> <p><b>(VIII) Following the statutory announcement of the profit distribution plan, the Company shall give sufficient consideration to the opinions and suggestions of shareholders in general and the minority shareholders in particular. When the profit distribution plan is being considered at the general meeting, the Company shall provide multiple means (including but not limited to attendance in person at the general meeting, the Internet and investors' hotline, etc) to receive suggestions in relation to the profit distribution plan furnished by shareholders in general and the minority shareholders in particular and shall give sufficient consideration to the opinions and demands of minority shareholders.</b></p>

The Directors of the Company are of the view that: the aforesaid amendments to the relevant clauses of the Articles of Association are in the interests of the Company and its shareholders as a whole, having facilitated improvements to the building of the Company's regime for profit allocation, assured the continuity and stability of its profit distribution policy and fulfilled the requirement of reasonable investment return for shareholders.

2. That the authorisation of any Director of the Company or the Secretary to the Board to deal with the filing, modification and registration (where necessary) and other matters pertaining to the amendment of the Articles of Association on behalf of the Company be approved.



Voting results: For: 14; against: 0; abstained: 0.

**IV. Consideration and approved of the “Resolution on the Dismissal of Senior Management Personnel.”**

That the discontinuation of the employment of Mr. Xie Daxiong as executive vice president of the Company, Mr. Ni Qin, Mr. Wu Zengqi and Mr. Wang Jiaran as senior vice president of the Company be approved.

The above four persons will still continue to work with the Company.

Voting results: For: 14; against: 0; abstained: 0.

**V. Consideration and approval of the “Resolution on the Convening of the First Extraordinary General Meeting of the Company of 2013.”**

The Company has resolved to convene the First Extraordinary General Meeting of the Company of 2013 at the conference room on the 4th floor of the Shenzhen headquarters of the Company on 7 March 2013. For details please refer to the “Notice of the First Extraordinary General Meeting of 2013 of ZTE Corporation” published and delivered to the shareholders of the Company soon.

Voting results: For: 14; against: 0; abstained: 0.

By Order of the Board  
**Hou Weigui**  
*Chairman*

Shenzhen, the PRC  
14 January 2013

*As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Shi Lirong, Yin Yimin and He Shiyong; six non-executive directors, Hou Weigui, Zhang Jianheng, Xie Weiliang, Wang Zhanchen, Zhang Junchao and Dong Lianbo; and five independent non-executive directors, Qu Xiaohui, Wei Wei, Chen Naiwei, Tan Zhenhui and Timothy Alexander Steinert.*

## **Annex I: Brief Biographies of the Candidates for Directors of the Sixth Session of the Board of Directors of ZTE**

### **I. Brief Biographies of Candidates for Non-independent Directors**

**Mr. Hou Weigui**, born 1941, worked with China Aerospace Factory No. 691 as head of the technology division prior to 1984. In 1984, he went to Shenzhen to establish Shenzhen Zhongxing Semiconductor Co., Ltd., serving as general manager of the company. He was President of the Company from October 1997 to February 2004 and has been Chairman of the Company since February 2004. Mr. Hou has extensive experience in the telecommunications sector and in corporate and business management. Mr. Hou holds 1,297,472 shares in the Company. Mr. Hou is the chairman of Shenzhen Zhongxing WXT Equipment Company Limited, a shareholder of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. He is not related in any way to any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.

**Mr. Zhang Jianheng**, born 1961, graduated from Dalian Institute of Technology in 1982 majoring in Chemical Machinery and holds the title of Senior Engineer. Mr. Zhang worked with the No. 1 Film Factory under the Ministry of Chemical Industry from 1982 to 1989 and with No. 1 Film Factory of China Lucky Film Corporation from 1989 to 1996. He was appointed director of China Lucky Film Corporation in 1996, and went on to serve as deputy general manager and general manager of that company until 2011. During this period, he also concurrently acted as general manager (vice chairman) and chairman of Lucky Film Co., Ltd. In November 2011 he was appointed deputy general manager of China Aerospace Science and Technology Corporation, a position that he has been holding since. He has been non-executive director and board chairman of China Aerospace International Holdings Limited (a company listed on The Stock Exchange of Hong Kong Limited) since March 26

2012, and has been Vice Chairman of the Company since April 2012. Mr. Zhang brings with him a wealth of experience in management and operation. Mr. Zhang does not hold any shares in the Company. Mr. Zhang is deputy general manager of China Aerospace Science and Technology Corporation, an indirect shareholder of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. He is not related in any way to any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the appointment criteria stipulated under the Company Law, the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws, rules and regulations.

**Mr. Xie Weiliang**, born 1956, graduated from the Faculty of Politics, National University of Defense Technology in 1982 and holds the title of professor. Mr. Xie served as the head of Nanjing Aerospace Management Cadres Institute from 2001 to 2003, and as director and general manager of Aerospace Technology Shenzhen (Group) Co., Ltd. and general manager of Shenzhen Aerospace Guangyu Industrial Company Limited since 2003. He has been Vice Chairman of the Company since February 2004 and is concurrently chairman of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. Mr. Xie has substantial experience in management and business operations. Mr. Xie holds 32,760 shares in the Company. Mr. Xie is chairman of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited, and general manager of Shenzhen Aerospace Guangyu Industrial Company Limited, a shareholder of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. He is not related in any way to any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.

**Mr. Wang Zhanchen**, born 1952, graduated from Xi'an Artillery Engineering Institute in 1976 and holds the title of senior engineer. Mr. Wang served as factory manager of Beijing Xinghua Machinery Factory of China Academy of Launch Vehicle Technology during 1997 to 2001. He has been vice chairman of China Aerospace Times Electronics Co., Ltd. since June 2008 and Non-executive Director of the Company since March 2010. Mr. Wang has substantial experience in management and business operations. Mr. Wang does not hold any shares in the Company. He is not related in any way to the controlling shareholder of the Company or any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.

**Mr. Zhang Junchao**, born 1953, graduated from Department (I) of Electronic and Wireless Engineering, Xi'an Jiaotong University in 1977 and holds the title of researcher. Mr. Zhang served as the deputy head of Foundational Electronic Technology Institute of China Aerospace Science and Technology Corporation from 2000 to March 2003, and has been head of Shaanxi Management Division of China Aerospace Times Electronics Corporation (renamed as "China Academy of Aerospace Electronics Technology") and head of Xi'an Microelectronics Technology Institute since May 2003. He has been deputy head of China Academy of Aerospace Electronic Technology since September 2010 and Non-executive Director of the Company since February 2004. He is concurrently vice chairman of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. Mr. Zhang has substantial experience in management and business operations. Mr. Zhang holds 32,760 shares in the Company. Mr. Zhang is vice chairman of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. He is not related in any way to any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the

Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.

**Mr. Dong Lianbo**, born 1957, graduated from Northeastern University majoring in Business Administration in 2001 and holds the titles of researcher-grade senior engineer. Mr. Dong served as director and deputy general manager of Shenyang Aerospace Xinguang Group from 2001 to 2002, deputy team head of the Shenzhen Business Integration Working Group of China Aerospace Science and Industry Corporation from 2002 to 2003 and director and deputy general manager of Aerospace Technology Shenzhen (Group) Co., Ltd. since 2003. He has been Non-executive Director of the Company since February 2004. He is concurrently director of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. Mr. Dong has substantial experience in management and business operations. Mr. Dong holds 32,760 shares in the Company. Mr. Dong is director of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited, and deputy general manager of Shenzhen Aerospace Guangyu Industrial Company Limited, a shareholder of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. He is not related in any way to any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.

**Mr. Shi Lirong**, born 1964, graduated from Tsinghua University in 1984 majoring in wireless and information technology with a bachelor degree and Shanghai Jiaotong University in 1989 majoring in telecommunications and electronic engineering with a master degree, and holds the title of senior engineer. Mr. Shi served as an engineer and head of the production department in Shenzhen Zhongxing Semiconductor Co., Ltd. from 1989 to 1993. From 1993 to 1997, he was deputy general manager of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. He was in charge of the Company's

overall marketing operations from 1997 to 2007 and, since 2007, the Company's global sales. He has been an Executive Director of the Company since February 2001 and President of the Company since March 2010. Mr. Shi has many years of experience in the telecommunications industry and over 22 years of management experience. Mr. Shi holds 410,511 shares in the Company. Mr. Shi is concurrently director of Shenzhen Zhongxing WXT Equipment Company Limited, a shareholder of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. He is not related in any way to any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.

**Mr. Yin Yimin**, born 1963, graduated from the Nanjing Institute of Posts and Telecommunications (now known as Nanjing University of Posts and Telecommunications) in 1988 with a master degree in engineering, majoring in telecommunications and electronic systems, and holds the title of senior engineer. Mr. Yin had served as a manager of the research and development department of Shenzhen Zhongxing Semiconductor Co., Ltd. since 1991, and as deputy general manager of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited between 1993 and 1997. From 1997 to March 2010 he served as the Company's Vice President, Senior Vice President and President, being in charge of different divisions such as research and development, marketing, sales and handsets operations. He has been Executive Director of the Company since November 1997. He has many years of experience in the operation of telecommunications business and over 22 years of management experience. Mr. Shi holds 632,833 shares in the Company. Mr. Yin is concurrently director of Shenzhen Zhongxing WXT Equipment Company Limited, a shareholder of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. He is not related in any way to any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent

authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.

**Mr. He Shiyou**, born 1966, graduated from Beijing University of Posts and Telecommunications in 1990 with a master degree in engineering, specializing in electromagnetic field and microwave technology, and holds the title of senior engineer. Mr. He joined Shenzhen Zhongxingxin Telecommunications Equipment Company Limited in 1993 and previously was the chief engineer of the Nanjing Research Centre and deputy head of the Shanghai Research Centre. He was the Company's Vice President from 1998 to 1999, responsible for divisions such as research and development and marketing. Since 1999, he has served as a Senior Vice President of the Company, and has been responsible for the Second Sales Division and the Handset Department of the Company. He has been an Executive Director of the Company since February 2001. He has many years of experience in the telecommunications industry as well as over 20 years of management experience. Mr. He holds 344,940 shares in the Company. Mr. He is concurrently supervisor of Shenzhen Zhongxing WXT Equipment Company Limited, a shareholder of Shenzhen Zhongxingxin Telecommunications Equipment Company Limited. He is not related in any way to any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.

## **II. Brief Biographies of Candidates for Independent Non-executive Directors**

**Ms. Qu Xiaohui**, born 1954, graduated from Xiamen University in July 1989 with a doctorate degree in Economics (Accounting) and holds the title of accounting professor. She was awarded Fulbright Scholar by Fulbright. Ms. Qu is the first female PhD in accounting

and female tutor for doctorate candidates in accounting in China, and the promoter of the project hypothesis procedure for the creation of a professional master's degree in accounting (MPAcc) in China. She is currently head of the research center for accounting development at Xiamen University (a key research base for arts disciplines designated by the Ministry of Education) and head of Financial Management and Accounting Research Institute of Xiamen University (a "National 985" Innovative Base for Philosophy and Social Science). Since August 1989, she has been engaged in teaching and academic research at the Department of Accounting of Xiamen University. She has been Independent Non-executive Director of the Company since July 2009. Ms. Qu is concurrently independent non-executive director of Yunnan Baiyao Group Co., Ltd. (a company listed on the Shenzhen Stock Exchange), Taikang Life Insurance Co., Ltd. and Guangzhou Baiyun Electric Equipment Co., Ltd. and chief financial advisor of Xiamen NetinNet Software Co., Ltd. Ms. Qu is well qualified, both academically and professionally, and vastly experienced in the finance sector. She does not hold any shares in the Company. She is not related in any way to the controlling shareholder of the Company or any Directors, Supervisors or senior management of the Company, nor has she been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. Her qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.

**Mr. Wei Wei**, born 1965, graduated from Huazhong University of Science and Technology in 2004 with a doctorate degree in management science and engineering. Mr. Wei was a post-doctorate fellow at Chinese Economic Research Centre at the Peking University from July 2004 to June 2006. Mr. Wei has worked in Xinjiang Technology College and Xinjiang University. He was assistant to the Dean of Shenzhen School of Business of Peking University from July 2006 to September 2007 and associate dean of HSBC Business School of Peking University and the head of the Research Centre of Doers' Group Business Model of HSBC Business School of Peking University since October 2007. He has been Independent Non-executive Director of the Company since July 2009. Mr. Wei is concurrently



independent non-executive director of Changyuan Group Company Limited (a company listed on Shanghai Stock Exchange), Dalian Zhangzidao Fishery Group Company Limited (a company listed on Shenzhen Stock Exchange) and Telling Telecommunication Holding Co., Ltd. (a company listed on Shenzhen Stock Exchange). Mr. Wei is well qualified, both academically and professionally, and vastly experienced in corporate management. He does not hold any shares in the Company. He is not related in any way to the controlling shareholder of the Company or any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. Her qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.

**Mr. Chen Naiwei**, born 1957, graduated from the Graduate School of Macau University of Science and Technology in 2007 with a doctorate degree in Law. Mr. Chen holds the title of professor in Law and is a qualified lawyer in China. Mr. Chen has served as head of the Law Faculty and head of the Intellectual Property Research Centre of Shanghai Jiaotong University. He has been a partner and senior lawyer of Shanghai Allbright Law Offices since 2001. Mr. Chen has been an Independent Non-executive Director of the Company since July 2009 and is concurrently independent non-executive director of Shanghai Pharmaceuticals Holding Co., Ltd. (a company listed on the Shanghai Stock Exchange) and Shanghai Taisheng Wind Power Equipment Co., Ltd. (a company listed on the Shenzhen Stock Exchange). Mr. Chen is well qualified, both academically and professionally, and vastly experienced in the legal sector. He does not hold any shares in the Company. He is not related in any way to the controlling shareholder of the Company or any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.

**Mr. Tan Zhenhui**, born 1944, graduated from Southeast University in 1987 with a doctorate degree in engineering, specialising in telecommunications and electronic systems and holds the title of professor. Mr. Tan is currently the Chairman of the Academic Committee and a professor of Beijing Jiaotong University, where he has been working since August 1982 and served as faculty dean, vice chancellor and chancellor. He has been Independent Non-executive Director of the Company since March 2010 and is concurrently independent non-executive director of Jiangsu Tongding Optic-Electronic Stock Co., Ltd. (a company listed on the Shenzhen Stock Exchange). Mr. Tan is well qualified, both academically and professionally, and vastly experienced in the telecommunications sector. He does not hold any shares in the Company. Mr. Tan is not related in any way to the controlling shareholder of the Company or any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.

**Mr. Timothy Alexander Steinert** (石義德), born 1960, is a United States national with Hong Kong permanent resident status. Mr. Steinert obtained a bachelor's degree from Yale University in 1983 and a doctorate degree from Columbia University in 1989. Mr. Steinert is a qualified lawyer in both Hong Kong and New York, the United States. From 1999 to 2007, he was a partner in the corporate department of Freshfields Bruckhaus Deringer (Hong Kong). He has been the chief legal officer of Alibaba Group Holding Limited since July 2007 and Independent Non-executive Director of the Company since June 2010. Mr. Steinert is well qualified, both academically and professionally, and vastly experienced in the legal sector. He does not hold any shares in the Company. Mr. Steinert is not related in any way to the controlling shareholder of the Company or any Directors, Supervisors or senior management of the Company, nor has he been subject to any punishment by the CSRC and other competent authorities or censorship by any stock exchanges. His qualifications for appointment are in compliance with the qualifications for appointment required under the

Company Law, Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association and other pertinent laws and regulations.