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



上海復旦微電子集團股份有限公司

Shanghai Fudan Microelectronics Group Company Limited*

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

(Stock Code: 1385)

**PROPOSALS FOR
RENEWAL OF GENERAL MANDATE TO ISSUE NEW SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM to be held at Building 4, Lane 127, Guotai Road, Shanghai, the PRC on 8 June 2018 (Friday) at 10:00 a.m. is set out on pages 9 to 11 of this circular.

A reply slip and a form of proxy for use at the AGM are enclosed. If you intend to attend the AGM, you should complete and return the reply slip in accordance with the instructions printed thereon as soon as possible.

Whether or not you are able to attend and/or vote at the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible but in any event not less than 24 hours before the time appointed for convening the AGM to the Company's registered office or principal place of business in Hong Kong or the Company's Share Registrar in Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish.

17 April 2018

* For identification purpose only

CONTENTS

	<i>Page</i>
DEFINITIONS	1-2
LETTER FROM THE BOARD	
Introduction	3
Renewal of General Mandate to issue new Shares	4
Re-election of Directors	4
AGM	4
Closure of Register of Members	5
Recommendation	5
Responsibility statement	5
APPENDIX 1 – THE BIOGRAPHICAL DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED	6-8
APPENDIX 2 – NOTICE OF ANNUAL GENERAL MEETING	9-11

DEFINITIONS

“AGM”	the annual general meeting of the Company to be held at Building 4, Lane 127, Guotai Road, Shanghai, the PRC on 8 June 2018 at 10:00 a.m.
“Article(s)”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Company”	上海復旦微電子集團股份有限公司 (Shanghai Fudan Microelectronics Group Company Limited*), a joint stock limited company incorporated in the PRC and whose H shares are listed on the main board of the Stock Exchange
“Directors”	the director(s) of the Company
“Domestic Share(s)”	domestic share(s) of nominal value of RMB0.10 each in the capital of the Company which are subscribed for in Renminbi
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“General Mandate”	the proposed general mandate to be granted to the Directors at the AGM to permit the allotment and issue of new Shares in the Company of up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate
“H Share(s)”	foreign invested share(s) of nominal value of RMB0.10 each in the capital of the Company which are listed on main board of the Stock Exchange and subscribed for in HK dollars
“Latest Practicable Date”	10 April 2018 being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“PRC”	the People’s Republic of China
“SFO”	The Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong
“Share(s)”	Domestic Shares and H Shares

* For identification purpose only

DEFINITIONS

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

LETTER FROM THE BOARD



上海復旦微電子集團股份有限公司

Shanghai Fudan Microelectronics Group Company Limited*

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

(Stock Code: 1385)

Executive Directors:

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

Non-executive Directors:

Ms. Zhang Qianling
Mr. Ma Zhicheng
Mr. Yao Fuli
Ms. Zhang Huajing

Independent non-executive Directors:

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

Registered Office:

No.220 Handan Road
Shanghai
The PRC

Principal Place of Business:

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

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

Dear Sir or Madam:

**PROPOSALS FOR
RENEWAL OF GENERAL MANDATE TO ISSUE NEW SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

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

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LETTER FROM THE BOARD

A. RENEWAL OF GENERAL MANDATE TO ISSUE NEW SHARES

At the annual general meeting of the Company held on 2 June 2017 (“2016 AGM”), the Shareholders approved, among other things, the grant of a general mandate which authorised the Directors to allot, issue and deal with not more than 123,466,000 new Shares, being 20% of the issued share capital of the Company of 617,330,000 Shares as at the date of the 2016 AGM.

On 29 September 2017, the Company entered into a placing agreement and has agreed to place up new H Shares. Following the completion of placing of 42,000,000 H Shares by the Company on 16 October 2017, the general mandate granted under the 2016 AGM has balances of 6,466,000 H Shares and 75,000,000 Domestic Shares that have not been unutilised or refreshed.

In accordance with conditions of the general mandate granted, such mandate will be lapsed at the conclusion of the forthcoming AGM. The Directors believe that the renewal of this mandate is in the interests of the Company and the Shareholder as a whole. A special resolution will be proposed by the Directors at the forthcoming AGM for the Shareholders’ approval to renew the General Mandate to the Directors to exercise the powers of the Company to issue new Shares with not more than 20% of the issued share capital of the Company as at the date of the AGM. Assuming no Shares will be issued or repurchased by the Company during the period between the Latest Practicable Date and the date of AGM, the Directors will be authorised to issue up to a maximum of 131,866,000 Shares pursuant to the General Mandate based on 659,330,000 Shares in issue as at the Latest Practicable Date.

B. RE-ELECTION OF DIRECTORS

In accordance with article 87 of the Articles, Mr. Ma Zhicheng, Mr. Yao Fuli, Ms. Zhang Huajing and Mr. Chen Baoying will retire by rotation at the conclusion of the forthcoming AGM and being eligible, offer themselves for re-election.

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

The re-election of the above retiring Directors have been reviewed by the Nomination Committee of the Company which made recommendation to the Board that the re-election be proposed for Shareholders’ approval at the forthcoming AGM.

C. AGM

A notice convening the AGM is set out in Appendix 2 to this circular.

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

LETTER FROM THE BOARD

D. CLOSURE OF REGISTER OF MEMBERS

Persons who hold shares of the Company and whose names appear on the Register of Members of the Company as at 9 May 2018 shall be entitled to attend the AGM. To be qualified to attend the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:00 p.m. on 8 May 2018.

For the purpose of the AGM, the Register of Members of the Company will be closed from 9 May 2018 to 8 June 2018 (both days inclusive) and during which no transfer of H shares will be effected.

RECOMMENDATION

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

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

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable inquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

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

Shanghai, the PRC, 17 April 2018

* For identification purpose only

The biographical details of the Directors proposed to be re-elected are set out below. An ordinary resolution approving their re-election will be proposed at the forthcoming AGM.

Mr. Ma Zhicheng (“Mr. Ma”), aged 57, joined the Company in July 2015 as a non-executive Director. He is a qualified senior operating manager and was awarded the post-graduate degree of Business Administration from the Shanghai Academy of Social Sciences. He is the Deputy General Manager of Shanghai Commerce and Invest (Group) Corporation (“SCI”) which is a substantial shareholder of the Company. He is also the Managing Director of Shanghai Fudan Technology Enterprise Holdings Limited, a subsidiary of SCI. Mr. Ma is the Chairman of Shanghai Fudan Digi-medical Technology Co., Ltd. He was the Assistant General Manager of SCI, the General Manager of Shanghai Commercial Investment Venture Capital Co., Ltd., the Chairman of Shanghai Hualong Information Technology Development Center, the Deputy General Manager of Shanghai Xinlian Real Estates Co. and the Office Manager of Shanghai Aeronautic Machinery Co. Mr. Ma has not held any directorship in any company listed on the Stock Exchange or other stock exchanges in the last three years.

The current term of office of Mr. Ma commenced on 19 July 2015 for a term of 3 years and will continue thereafter unless terminated by a three months’ prior written notice by either party and will be subject to retirement by rotation and re-election in accordance with the Articles. Pursuant to his service contract, Mr. Ma is currently not entitled to any director remuneration or allowance.

As at the Latest Practicable Date, Mr. Ma had no personal interest in the Shares (within the meaning of Part XV of the SFO).

Mr. Yao Fuli (“Mr. Yao”), aged 43, joined the Company in July 2015 as a non-executive Director. He was awarded Bachelor Degree and Master Degree of Business Administration from Fudan University. He is the Director and General Manager of Shanghai Cyber Galaxy Investment Co., Limited. Mr. Yao was the Deputy General Manager of SCI and Managing Director of Shanghai Commercial Investment Venture Capital Co., Ltd, the Chairman of Shanghai Aijian Capital Management Co., Ltd., the Deputy General Manager of Shanghai Aijian Trustees Co., Ltd. and the Asset Management Manager of Shanghai Aijian Corporation as well as a member of its General Manager Council and Management Committee. Mr. Yao has not held any directorship in any company listed on the Stock Exchange or other stock exchanges in the last three years.

The current term of office of Mr. Yao commenced on 19 July 2015 for a term of 3 years and will continue thereafter unless terminated by a three months’ prior written notice by either party and will be subject to retirement by rotation and re-election in accordance with the Articles. Pursuant to his service contract, Mr. Yao is currently not entitled to any director remuneration or allowance.

As at the Latest Practicable Date, Mr. Yao had no personal interest in the Shares (within the meaning of Part XV of the SFO).

Ms. Zhang Huajing (“Ms. Zhang”), aged 57, joined the Company in July 2015 as a non-executive Director. She was awarded a Bachelor Degree from Shanghai University of Finance and Economics and is a senior accountant. She is the Deputy Chief Accountant and Finance Manager of SCI. Ms. Zhang was the Assistant Manager of Finance Department and Audit Director of SCI. She was also the Chief Accountant of Yangtze River Economic United Development (Group) Co., Ltd. She was the Chief Accountant of Finance Department of Changfa Group Shanghai Trading and Industrial Holding Co. Ms. Zhang has not held any directorship in any company listed on the Stock Exchange or other stock exchanges in the last three years.

The current term of office of Ms. Zhang commenced on 19 July 2015 for a term of 3 years and will continue thereafter unless terminated by a three months’ prior written notice by either party and will be subject to retirement by rotation and re-election in accordance with the Articles. Pursuant to her service contract, Ms. Zhang Mr. Yao is currently not entitled to any director remuneration or allowance.

As at the Latest Practicable Date, Ms. Zhang had no personal interest in the Shares (within the meaning of Part XV of the SFO).

Mr. Chen Baoying (“Mr. Chen”), aged 88, joined the Company in October 2007 as an independent non-executive Director. He is a part-time professor of Nankai University. He graduated with a Bachelor degree of Trade Finance in the Nankai University and a Master degree in Renmin University of China in Foreign Trade and Economic Development. He has around 40 years working experience in research of international trade and finance. He was the researcher of the Institute of International Trade of the Ministry of Foreign Trade and Economic Cooperation, the PRC, which he worked for 30 years. He was the vice director of the Hong Kong and Macao Research Centre of the Hong Kong and Macao Affairs Office of the State Council since 1986 and retired in 1995, and was primarily responsible for research of economic and finance in these areas. He was appointed member respectively of the Join Working Group of the Mainland and Hong Kong Securities Affairs and the Expert Group on Commodities of the China Securities Regulatory Commission. He was an independent non-executive director of China National Resources Development Holdings Limited, a company listed on the main board of the Stock Exchange. Mr. Chen has not held any directorship in any company listed on the Stock Exchange or other stock exchanges in the last three years.

The current term of office of Mr. Chen commenced on 2 June 2017 and till the end of the forthcoming AGM. Pursuant to his service contract, Mr. Chen is entitled to a monthly travelling allowance of RMB3,000 but no director fee. As Mr. Chen has been holding the position of independent non-executive Director for more than 9 years and after strict assessment of his independence by the Company, he continues to be independent. He also possesses the character and judgement, in which should be required by an independent non-executive director. Moreover, Mr. Chen has extensive knowledge in finance as well as trading business and in-depth understanding of the Group’s business. Besides, his re-election needs to be presented by way of a separate resolution to be approved by the Shareholders on the AGM. After being re-elected as the independent non-executive Director by ordinary resolution on the AGM, the director’s service contract with Mr. Chen will be renewed, starting from 8 June 2018 and will end on the date of the next annual general meeting of the Company expected to be held in June 2019. The remuneration payable to Mr. Chen is determined by the remuneration committee of the Company with reference to his qualifications, experiences and contribution of time.

As at the Latest Practicable Date, Mr. Chen had no personal interest in the Shares (within the meaning of Part XV of the SFO).

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

1. All the above Directors do not have any relationship with any Directors, senior management, management shareholders or substantial shareholders of the Company;
2. All the above Directors does not hold any positions in the Company or any members of the Company; and
3. The Company is not aware of any other matters that need to be brought to the attention of the Shareholders. Nor is there any information regarding the above directors required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.



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: 1385)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Shanghai Fudan Microelectronics Group Company Limited (the “Company”) will be held at Building 4, Lane 127, Guotai Road, Shanghai, the People’s Republic of China (the “PRC”) on 8 June 2018 at 10:00 a.m. for the following purposes:–

ORDINARY RESOLUTION

1. To receive and consider the audited consolidated financial statements and the Reports of the Directors and the Auditor for the year ended 31 December 2017;
2. To re-elect Directors and to authorise the Board to fix the remuneration of the Directors;
3. To reappoint Ernst & Young as auditor of the Company and to authorise the Board to fix their remuneration; and

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

SPECIAL RESOLUTION

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

* For identification purpose only

rights under the terms of any securities which are convertible into such shares; (iii) the exercise of rights of subscription under the terms of any warrants issued by the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of such shares in lieu of the whole or part of a dividend on such shares in accordance with the Articles, shall not exceed 20% of the aggregate nominal value of the Domestic Shares then in issue at the date of the passing of this resolution;

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

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

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

“**rights issue**” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company on the register of members of the Company on a fixed record date and, where appropriate, the holders of the other equity securities of the Company entitled to be offered therein, in proportion to their then holdings of such shares or other equity securities (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any regulatory body or any stock exchange); and

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

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

Shanghai, the PRC, 17 April 2018

Notes:

1. Persons who hold shares of the Company and whose names appear on the Register of Members of the Company as at 9 May 2018 shall be entitled to attend the AGM. Further details are set out in the reply slip and explanation thereto.
2. Any member entitled to attend and vote at the AGM is entitled to appoint one or more person(s) as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.
3. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of that power of attorney, must be deposited not less than 24 hours before the time appointed for the holding of the AGM at the Company’s registered office at No. 220 Handan Road, Shanghai, the People’s Republic of China or principal place of business in Hong Kong at Flat 6, 5/F., East Ocean Centre, 98 Granville Road, Kowloon, Hong Kong or the Company’s Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong.
4. The Register of Members of the Company in Hong Kong will be closed from 9 May 2018 to 8 June 2018 (both dates inclusive) during which period no transfer of H shares will be registered. To be qualified to attend the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 4:00 p.m. on 8 May 2018.
5. Completion and delivery of the form of proxy will not preclude a member from attending and voting in person at the AGM if the member so desires, and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. Information containing further details regarding the proposed resolution No. 2 set out in the above notice as required by the Listing Rules are set out in Appendix 1 of this circular.

* *For identification purpose only*