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**上海復旦微電子集團股份有限公司**  
**Shanghai Fudan Microelectronics Group Company Limited\***  
*(a joint stock limited company incorporated in the People's Republic of China)*

(Stock Code: 1385)

**ISSUANCE OF NEW DOMESTIC SHARES UNDER GENERAL MANDATE  
AND  
PROPOSED AMENDMENTS OF ARTICLES**

**The Subscription Agreements**

The Board is pleased to announce that, for the purposes of motivation of core senior management team and detaining technical experts of the Group, a resolution was passed in relation to a proposed scheme for staff to subscribe Domestic Shares. On 12 December 2018 (after trading hours of the Stock Exchange), the Company has entered into the Subscription Agreements with four Subscribers respectively. The Subscription Shares will be allotted and issued pursuant to the General Mandate, and will be allotted to four Subscribers. The Subscribers are four limited partnership enterprises established under the law of the PRC for the purpose of staff shareholding platforms. The limited partners of these four limited partnership enterprises are targets to be incentivized and all are department heads, core management, experienced technical experts and project leaders of the Group.

On the assumption that all Subscription Shares are fully subscribed, the aggregate gross proceeds from the Subscriptions are expected to be approximately RMB201,536,000 and the aggregate net proceeds (after deduction of the expenses) from the Subscriptions are expected to be approximately RMB200,665,000. The 35,172,000 Domestic Shares to be subscribed under the Subscription Agreements represent 9.38% of the existing number of Domestic Shares in issue (being 375,000,000 Domestic Shares as at the date of this announcement), and approximately 5.06% of the number of total issued Shares and approximately 8.57% of the number of Domestic Shares as enlarged by the allotment and issue of the Subscription Shares. The nominal value of each Subscription Share under the Subscriptions will be RMB0.10 and the aggregate nominal value of the Subscription Shares under the Subscriptions will be RMB3,517,200.

The Subscription Price of RMB5.73 (approximately HK\$6.49, with reference to the middle exchange rate between RMB1 and HK\$1.1318 as quoted by the People's Bank of China on 12 December 2018) per Subscription Share represents:

- (a) a discount of approximately 19.73% to the closing price of HK\$8.08 per H Share as quoted on the Stock Exchange on 12 December 2018, being the closing price on the date of the Subscription Agreements; and
- (b) a discount of approximately 19.91% to the average closing price of the H Shares of approximately HK\$8.10 per H Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreements.

**As Completion is subject to the satisfaction of certain conditions precedent, the Subscriptions may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the H Shares.**

#### **Proposed Amendments of Articles**

The Board proposed to make certain amendments to the Articles, subject to and upon the Completion, in order to, among other things, reflect the latest registered capital and shareholding structure of the Company as a result of the issue of the new Domestic Shares.

The proposed amendments to the Articles do not require further approval by the Shareholders. The effective of the proposed amendments to the Articles will be subject to approval, registration or filing with the relevant PRC government authorities.

The Board is pleased to announce that, for the purposes of motivation of core senior management team and detaining technical experts of the Group, a resolution was passed in relation to a proposed scheme for staff to subscribe Domestic Shares. On 12 December 2018 (after trading hours of the Stock Exchange), the Company has entered into the Subscription Agreements with four Subscribers respectively. The principal terms of the Subscription Agreements are set out below.

### **THE SUBSCRIPTION AGREEMENTS**

#### **Date**

12 December 2018

#### **Parties**

- (1) The Company; and
- (2) Four Subscribers:
  - (a) Shanghai Shenghao Corporate Management Consultant Partnership Enterprise\* (limited partnership)
  - (b) Shanghai Xuling Corporate Management Consultant Partnership Enterprise\* (limited partnership)
  - (c) Shanghai Haoyue Corporate Management Consultant Partnership Enterprise\* (limited partnership)
  - (d) Shanghai Yuhao Corporate Management Consultant Partnership Enterprise\* (limited partnership)

#### **The Subscription Shares**

35,172,000 new Domestic Shares of RMB0.10 each in the share capital of the Company will be issued by the Company pursuant to the terms and subject to the conditions set out in the Subscription Agreements.

The 35,172,000 Domestic Shares to be subscribed under the Subscription Agreements represent approximately 9.38% of the existing number of Domestic Shares in issue (being 375,000,000 Domestic Shares as at the date of this announcement), and approximately 5.06% of the number of total issued Shares and approximately 8.57% of the number of Domestic Shares as enlarged by the allotment and issue of the Subscription Shares. The nominal value of each Subscription Share under the Subscriptions will be RMB0.10 and the aggregate nominal value of the Subscription Shares under the Subscriptions will be RMB3,517,200.

### **The Subscriptions**

The Company has conditionally agreed to issue the Subscription Shares, and the Subscribers have conditionally agreed to subscribe for the Subscription Shares at the Subscription Price and on the terms and subject to the conditions set out in the Subscription Agreements.

The Subscription Shares will be allotted and issued pursuant to the General Mandate, and will be allotted to four Subscribers.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, all the Subscribers and their ultimate beneficial owners are not connected persons of the Company or its connected persons.

### **The Subscribers**

Subscription Shares will be subscribed by a total of four Subscribers at the Subscription Price (exclusive of expenses as may be payable by the Subscribers) on the terms and conditions of the Subscription Agreements. To the best knowledge, information and belief of the Company, none of the Subscribers and their respective beneficial owners is a connected person (as defined in the Listing Rules) of the Company. It is expected that none of the Subscribers will become a Substantial Shareholder after the Completion.

### **Subscription Price**

The Subscription Price of RMB5.73 (approximately HK\$6.49, with reference to the middle exchange rate between RMB1 and HK\$1.1318 as quoted by the People's Bank of China on 12 December 2018) per Subscription Share represents:

- (a) a discount of approximately 19.73% to the closing price of HK\$8.08 per H Share as quoted on the Stock Exchange on 12 December 2018, being the closing price on the date of the Subscription Agreements; and
- (b) a discount of approximately 19.91% to the average closing price of the H Shares of approximately HK\$8.10 per H Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreements.

The aggregate net proceeds (after deduction of the expenses) from the Subscriptions are expected to be approximately RMB200,665,000 and the net Subscription Price is approximately RMB5.71 per Subscription Share.

The Subscription Price has been negotiated and arrived at on an arm's length basis and by reference to market conditions. The Directors are of the opinion that the Subscription Price is fair and reasonable and is in the best interests of the Company and the Shareholders as a whole.

## **Ranking of the Subscription Shares**

The Subscription Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves and with the existing Domestic Shares in issue as at the Completion Date, including the right to receive all dividends and other distributions to be declared and made after the Completion Date.

## **Conditions**

Completion of the Subscription is conditional upon the fulfilment or waiver of the following conditions:

- (a) the Subscribers settled the consideration of Subscription in cash before the date as specified in payment instruction issued by the Company; and
- (b) all necessary approvals and consents (including but not limited to the Board approval) having been obtained by the Company and not being subsequently cancelled or revoked prior to Completion.

If the above conditions are not satisfied on or before 31 December 2018, the Subscriptions will be terminated.

## **Termination**

The Subscription Agreements may be terminated if at any time prior to the Completion:

- (i) both parties have fulfilled all the conditions set out in the Subscription Agreements; or
- (ii) if an event of Force Majeure occurs during the fulfillment of obligations under the Subscription Agreements, both parties have negotiated and agreed mutually to the termination of the Subscription Agreements; or
- (iii) both parties have negotiated and agreed mutually to the termination of the Subscription Agreements.

Upon giving a notice of agreement pursuant to the paragraph above, all obligations and liabilities of the parties to the Subscription Agreements will forthwith cease and determine, save for any antecedent breaches of the Subscription Agreements.

## **Completion**

Subject to the conditions mentioned above, the Completion shall take place on the Completion Date or such later time and/or date as the Company and the Subscribers may agree in writing.

**As Completion is subject to the satisfaction of certain conditions precedent, the Subscriptions may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the H Shares.**

## **GENERAL MANDATE TO ISSUE NEW DOMESTIC SHARES**

The Subscription Shares will be issued under the General Mandate. Under the General Mandate, the Board is authorised to issue a maximum of 75,000,000 Domestic Shares and 56,866,000 H Shares, representing 20% of the total amount of the Domestic Shares and H Shares in issue, respectively, as at 8 June 2018, being the date of the passing of the resolution granting the General Mandate. As at 8 June 2018, the issued share capital of the Company comprised 375,000,000 Domestic Shares and 284,330,000 H Shares. As at the date of this announcement, no Domestic Shares or H Shares have been issued under the General Mandate and the number of Domestic Shares that may be issued under the General Mandate is 75,000,000.

## **REASONS FOR THE SUBSCRIPTIONS AND USE OF PROCEEDS FROM THE SUBSCRIPTIONS**

On the assumption that all Subscription Shares are fully subscribed, the aggregate gross proceeds from the Subscriptions are expected to be approximately RMB201,536,000 and the aggregate net proceeds (after deduction of the expenses) from the Subscriptions are expected to be approximately RMB200,665,000.

The principal activities of the Group are the design, development and sales of products of application-specific IC and provision of testing services.

The Subscribers are four limited partnership enterprises established under the law of the PRC for the purpose of staff shareholding platforms. The limited partners of these four limited partnership enterprises are targets to be incentivized and all are department heads, core management, experienced technical experts and project leaders of the Group. The four limited partnership enterprises consist of approximately 149 limited partners and the highest subscription subscribed through the limited partnership enterprise indirectly is 1,180,000 Domestic Shares. The Subscription Shares subscribed by these four limited partnership enterprises under the Subscription Agreements will be subject to a lockup period of 36 months from the date of registration with the relevant government authorities; any arrangement for pledge, setting off of liabilities, assignment for third party management, set up of trustee and transfer etc. are strictly prohibited. All limited partners of the four limited partnership enterprises do not include all the Directors, Supervisors and general manager of the Company and does not constitute a connected person of the Company under the Listing Rules.

The net proceeds from the Subscriptions are intended to be used for supplementing the working capital of the Group for its development and operation.

By entering into the Subscription Agreements, the Group's core management team can be motivated and technical experts can be detained which will enable the Group to keep stable human resources to cope with its research and development and market expansion needs. In addition, the Subscriptions will further optimise the capital and financial structures of the Company as well as enrichment of its shareholder base.

The Directors consider that the terms of the Subscription Agreements, including but not limited to the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **FUND RAISING DURING THE PAST TWELVE MONTHS**

During the past twelve months immediately preceding the date of this announcement, the Company has not conducted any equity fund raising activity.

## EFFECT OF THE SUBSCRIPTIONS ON THE SHAREHOLDING STRUCTURE

The existing shareholding structure of the Company and the effect of the Subscriptions on the shareholding structure of the Company upon completion of the Subscriptions are set out below:

Name of Shareholder	Immediately before the Subscription (number of Shares)	% of total issued Domestic Shares or H Shares	% of total issued Shares	Immediately after the Subscription assuming the Subscription Shares are fully Subscribed (number of Shares)	% of total issued Domestic Shares or H Shares	% of total issued Shares
<i>Domestic Shares</i>						
Shanghai Fudan Technology Enterprise Holdings Limited (“Fudan Technology”) <sup>(Note 1)</sup>	109,620,000	29.23	16.63	109,620,000	26.73	16.46
Shanghai Commerce and Invest (Group) Corporation (“SCI”) <sup>(Note 1)</sup>	109,620,000	29.23	16.63	109,620,000	26.73	16.46
Bailian Group Company Limited (“Bailian Group”) <sup>(Note 1)</sup>	109,620,000	29.23	16.63	109,620,000	26.73	16.46
Shanghai Fudan High Tech Company (“Fudan High Tech”) <sup>(Note 2)</sup>	106,730,000	28.46	16.19	106,730,000	26.02	16.03
Shanghai Fudan Assets Management Co., Ltd. (“Fudan Assets Management”) <sup>(Note 2)</sup>	106,730,000	28.46	16.19	106,730,000	26.02	16.03
Fudan University <sup>(Note 2)</sup>	106,730,000	28.46	16.19	106,730,000	26.02	16.03
Shanghai Zhengben Investment Consultant Partnership Enterprise* (“Shanghai Zhengben”) <sup>(Note 3)</sup>	52,167,270	13.91	7.91	52,167,270	12.72	7.84
Shanghai Yikun Investment Consultant Partnership Enterprise* (“Shanghai Yikun”) <sup>(Note 3)</sup>	66,845,110	17.83	10.14	66,845,110	16.29	10.04
Zhang Yong <sup>(Note 3)</sup>	66,845,110	17.83	10.14	66,845,110	16.29	10.04
Shanghai Zhenghua Investment Consultant Partnership Enterprise* (“Shanghai Zhenghua”) <sup>(Note 4)</sup>	47,443,420	12.65	7.20	47,443,420	11.57	7.13
Shanghai Shanyao Industrial Limited* (“Shanghai Shanyao”) <sup>(Note 4)</sup>	47,443,420	12.65	7.20	47,443,420	11.57	7.13
Zhou Yufeng <sup>(Note 4)</sup>	47,443,420	12.65	7.20	47,443,420	11.57	7.13
Shanghai Guonian Investment Consultant Partnership Enterprise* (“Shanghai Guonian”) <sup>(Note 5)</sup>	29,941,470	7.99	4.54	29,941,470	7.30	4.50
Shanghai Danruo Investment Management Partnership Enterprise* (“Shanghai Danruo”) <sup>(Note 5)</sup>	29,941,470	7.99	4.54	29,941,470	7.30	4.50
Zhongrong Yicheng Asset Management Limited* (“Zhongrong Yicheng”) <sup>(Note 5)</sup>	29,941,470	7.99	4.54	29,941,470	7.30	4.50

Beijing Zhongrong Dingxin Investment Management Limited* (“Zhongrong Dingxin”) <sup>(Note 5)</sup>	29,941,470	7.99	4.54	29,941,470	7.30	4.50
Zhongrong International Trust Limited* (“Zhongrong International”) <sup>(Note 5)</sup>	29,941,470	7.99	4.54	29,941,470	7.30	4.50
Jingwei Textile Machinery Co., Ltd. (“Jingwei Textile”) <sup>(Note 5)</sup>	29,941,470	7.99	4.54	29,941,470	7.30	4.50
Jiang Guoxing	7,210,000	1.92	1.09	7,210,000	1.76	1.04
Shi Lei	7,210,000	1.92	1.09	7,210,000	1.76	1.04
Shanghai Shenghao Corporate Management Consultant Partnership Enterprise* (Subscriber)	-	-	-	14,741,000	3.59	2.12
Shanghai Xuling Corporate Management Consultant Partnership Enterprise* (Subscriber)	-	-	-	6,243,000	1.52	0.90
Shanghai Haoyue Corporate Management Consultant Partnership Enterprise* (Subscriber)	-	-	-	5,177,000	1.26	0.75
Shanghai Yuhao Corporate Management Consultant Partnership Enterprise* (Subscriber)	-	-	-	9,011,000	2.20	1.30
<b>Total issued Domestic Shares</b>	<b>375,000,000</b>	<b>100.00</b>	<b>56.88</b>	<b>410,172,000</b>	<b>100.00</b>	<b>59.06</b>
<b>H Shares</b>						
Springs China Opportunities Master Fund (“Spring China”) <sup>(Note 6)</sup>	17,088,000	6.01	2.59	17,088,000	6.01	2.46
Springs China Limited <sup>(Note 6)</sup>	17,088,000	6.01	2.59	17,088,000	6.01	2.46
Zhao Jun <sup>(Note 6)</sup>	17,088,000	6.01	2.59	17,088,000	6.01	2.46
Haitong International Financial Solutions Limited (“Haitong International Financial”) <sup>(Note 7)</sup>	22,022,000	7.75	3.34	22,022,000	7.75	3.17
Haitong International Finance Company Limited (“Haitong International Finance”) <sup>(Note 7)</sup>	22,022,000	7.75	3.34	22,022,000	7.75	3.17
Haitong International Finance Company Limited (“Haitong International Finance”) <sup>(Note 7)</sup>	22,022,000	7.75	3.34	22,022,000	7.75	3.17
Haitong International (BVI) Limited. (“Haitong International”) <sup>(Note 7)</sup>	22,022,000	7.75	3.34	22,022,000	7.75	3.17
Haitong International Securities Group Limited (“Haitong International Securities”) <sup>(Note 7)</sup>	22,022,000	7.75	3.34	22,022,000	7.75	3.17

Haitong International Holdings Limited ( "Haitong International Holdings" ) <sup>(Note 7)</sup>	22,022,000	7.75	3.34	22,022,000	7.75	3.17
Haitong Securities Co., Ltd. ( "Haitong Securities" ) <sup>(Note 7)</sup>	22,022,000	7.75	3.34	22,022,000	7.75	3.17
Other H shareholders	245,220,000	86.24	37.19	245,220,000	86.24	35.31
<b>Total issued H Shares</b>	<b>284,330,000</b>	<b>100.00</b>	<b>43.12</b>	<b>284,330,000</b>	<b>100.00</b>	<b>40.94</b>
<b>Total issued shares</b>	<b>659,330,000</b>		<b>100.00</b>	<b>694,502,000</b>		<b>100.00</b>

*Notes:*

- (1) Bailian Group is a state-owned enterprise wholly owned by the Shanghai Municipal Government and wholly owned SCI, and SCI held 70.2% of the equity interest of Fudan Technology. Accordingly, each of SCI and Bailian Group is deemed to be interested in Fudan Technology's interest in the Company.
- (2) Fudan High Tech is a state-owned enterprise wholly owned by Fudan Asset and Fudan Asset is wholly owned by Fudan University.
- (3) Zhang Yong held 95% of the equity interest in Shanghai Yikun, and Shanghai Yikun held 99.81% of the equity interest in Shanghai Zhengben (formerly known as "Shanghai Zhengben Investment Consultant Partnership Enterprise"). Accordingly, each of Shanghai Yikun and Zhang Yong is deemed to be interested in Shanghai Zhengben's interest in the Company. Shanghai Yikun and Zhang Yong further held the Company's interest through another controlled corporation.
- (4) Zhou Yufeng held 99% of the equity interest in Shanghai Shanyao, and Shanghai Shanyao held 99.79% of the equity interest in Shanghai Zhenghua. Accordingly, each of Shanghai Shanyao and Zhou Yufeng is deemed to be interested in Shanghai Zhenghua's interest in the Company.
- (5) Jingwei Textile holds 37.47% of the equity interest in Zhongrong International, Zhongrong International holds the entire equity interest in Zhongrong Dingxin, Zhongrong Dingxin holds the entire equity interest in Dingcheng Capital, Dingcheng Capital holds 0.01% of the equity interest in Shanghai Danruo and is the general partner thereof. Wang Shumin and Wang Jizhuo together wholly and beneficially owns Huacheng Lihe which holds the remaining 99.99% of the equity interest in Shanghai Danruo. Shanghai Danruo and Dingcheng holds 72.69% and 0.33% of the equity interest in Shanghai Guonian, respectively. Accordingly, each of Shanghai Danruo, Dingcheng Capital, Zhongrong Dingxin, Zhongrong International, Jingwei Textile Huacheng Lihe, Wang Shumin and Wang Jizhuo is deemed to be interested in Shanghai Guonian's interest in the Company.
- (6) Spring China is beneficially owned by Spring China Limited, which is beneficially owned by Zhao Jun. Accordingly, each of Spring China Limited and Zhao Jun is deemed to be interested in Spring China's interest in the Company.

- (7) Haitong Securities holds the entire equity interest in Haitong International Holdings, Haitong International Holdings holds 61.74% of the equity interest in Haitong International Securities, Haitong International Securities holds the entire equity interest in Haitong International, Haitong International holds the entire equity interest in Haitong International Finance, Haitong International Finance holds the entire equity interest in Haitong International Financial. Accordingly, each of Haitong International Finance, Haitong International, Haitong International Securities, Haitong International Holdings and Haitong Securities is deemed to be interested in Haitong International Financial's interest in the Company.

## **REGULATORY AND CORPORATE APPROVALS**

According to the legal opinion sought by the Company from its PRC legal adviser, the Subscriptions have to be registered or filing with the relevant PRC government authorities upon Completion.

The Subscription Shares will be issued by the Company pursuant to the General Mandate, and the Board has approved the subscription of 35,172,000 new Domestic Shares under the General Mandate. All necessary corporate approvals and relevant Board approval in relation to the Subscriptions have been obtained. The Subscriptions are not subject to the approval of the Shareholders but the submission of amendments must be accomplished by appropriate legal confirmations of the PRC and Hong Kong.

## **PROPOSED AMENDMENTS OF ARTICLES**

The Board proposed to make certain amendments to the Articles, subject to and upon the Completion, in order to, among other things, reflect the latest registered capital and shareholding structure of the Company as a result of the issue of the new Domestic Shares.

The amendments set out below are based on the assumption that 35,172,000 shares of new Domestic Shares have been issued:

### **Before amendment**

#### ***Article 15:***

At the effective date of this version of the Articles of Association, the Company, upon approval by the authorities that are authorized by the State Council to examine and approve companies, has issued 659,330,000 ordinary shares and each share has a par value of Renminbi 0.1.

#### ***Article 16:***

At the effective date of the adoption of this Articles of Association, the Company has issued 659,330,000 ordinary shares and total share capital is Renminbi 65,933,000, and the share capital structure is as follows:

Shanghai Fudan Technology Enterprise Holdings Limited holds 109,620,000 shares, representing 16.63% of the issued share capital of the Company;

### **After amendment**

#### ***Article 15:***

At the effective date of this version of the Articles of Association, the Company, upon approval by the authorities that are authorized by the State Council to examine and approve companies, has issued 694,502,000 ordinary shares and each share has a par value of Renminbi 0.1.

#### ***Article 16:***

At the effective date of the adoption of this Articles of Association, the Company has issued 694,502,000 ordinary shares and total share capital is Renminbi 69,450,200, and the share capital structure is as follows:

Shanghai Fudan Technology Enterprise Holdings Limited holds 109,620,000 shares, representing 15.78% of the issued share capital of the Company;

Shanghai Fudan High Tech Company holds 106,730,000 shares, representing 16.19% of the issued share capital of the Company;

Shanghai Zhenghua Corporate Management Consultant Partnership Enterprise (limited partnership) holds 47,443,420 shares representing 7.20% of the issued share capital of the Company;

Shanghai Guonian Corporate Management Consultant Partnership Enterprise (limited partnership) holds 29,941,470 shares representing 4.54% of the issued share capital of the Company;

Shanghai Zhengben Corporate Management Consultant Partnership Enterprise (limited partnership) holds 52,167,270 shares representing 7.91% of the issued share capital of the Company;

Shanghai Nianjin Corporate Management Consultant Partnership Enterprise (limited partnership) holds 14,677,840 shares representing 2.23% of the issued share capital of the Company;

Mr. Jiang Guoxing holds 7,210,000 shares, representing 1.09% of the issued share capital of the Company;

Mr. Shi Lei holds 7,210,000 shares, representing 1.09% of the issued share capital of the Company;

and holders of Overseas-Listed Foreign-Invested Shares hold 284,330,000 shares, representing 43.12% of the issued share capital of the Company.

Shanghai Fudan High Tech Company holds 106,730,000 shares, representing 15.37% of the issued share capital of the Company;

Shanghai Zhenghua Corporate Management Consultant Partnership Enterprise (limited partnership) holds 47,443,420 shares representing 6.83% of the issued share capital of the Company;

Shanghai Guonian Corporate Management Consultant Partnership Enterprise (limited partnership) holds 29,941,470 shares representing 4.31% of the issued share capital of the Company;

Shanghai Zhengben Corporate Management Consultant Partnership Enterprise (limited partnership) holds 52,167,270 shares representing 7.51% of the issued share capital of the Company;

Shanghai Nianjin Corporate Management Consultant Partnership Enterprise (limited partnership) holds 14,677,840 shares representing 2.11% of the issued share capital of the Company;

Shanghai Shenghao Corporate Management Consultant Partnership Enterprise (limited partnership) holds 14,741,000 shares representing 2.12% of the issued share capital of the Company;

Shanghai Xuling Corporate Management Consultant Partnership Enterprise (limited partnership) holds 6,243,000 shares representing 0.90% of the issued share capital of the Company;

Shanghai Haoyue Corporate Management Consultant Partnership Enterprise (limited partnership) holds 5,177,000 shares representing 0.75% of the issued share capital of the Company;

Shanghai Yuhao Corporate Management Consultant Partnership Enterprise (limited partnership) holds 9,011,000 shares representing 1.30% of the issued share capital of the Company;

Mr. Jiang Guoxing holds 7,210,000 shares, representing 1.04% of the issued share capital of the Company;

Mr. Shi Lei holds 7,210,000 shares, representing 1.04% of the issued share capital of the Company;

and holders of Overseas-Listed Foreign-Invested Shares hold 284,330,000 shares, representing 40.94% of the issued share capital of the Company.

**Article 19:**

At the effective date of this version of the Articles of Association, the registered capital of the Company is Renminbi 65,933,000. The registered capital has been registered with the relating Administration for Industry and Commerce, and put on records by the China Securities Regulatory Commission.

**Article 19:**

At the effective date of this version of the Articles of Association, the registered capital of the Company is Renminbi 69,450,200. The registered capital has been registered with the relating Administration for Industry and Commerce, and put on records by the China Securities Regulatory Commission.

Pursuant to the resolution passed in the AGM, the proposed amendments to the Articles by the Board do not require further approval by the Shareholders. The effective of the proposed amendments to the Articles will be subject to approval, registration or filing with the relevant PRC government authorities.

**DEFINITIONS**

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

“AGM”	the 2017 annual general meeting of the Company held on 8 June 2018
“Articles”	the articles of association of the Company as revised from time to time
“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
“Completion”	completion of the Subscriptions under the Subscription Agreements
“Completion Date”	means the day of completion of relevant share registration upon the fulfilment of the conditions as set out in the Subscription Agreements (or such later time and/or date as the Company and the Subscribers may agree in writing)
“Directors”	the directors 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

“General Mandate”	the general mandate 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 value of Shares in issue as at the date of passing of the relevant resolution
“Group”	the Company and its subsidiaries
“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\$
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Share(s)”	the Domestic Share(s) and H Share(s)
“Shareholder(s)”	registered holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber(s)”	the Company’s staff shareholding platform established by way of limited partnership enterprises
“Subscription(s)”	the subscription for the Subscription Shares by Subscribers on the terms set out in the Subscription Agreements
“Subscription Agreement(s)”	the Subscription agreements dated 12 December 2018 entered into between the Company and the Subscribers in respect of the Subscriptions
“Subscription Price”	RMB5.73 per Subscription Share (which excludes any fee payable by the subscribers)
“Subscription Shares”	up to 35,172,000 Domestic Shares to be allotted and issued by the Company pursuant to the Subscription Agreements
“Substantial Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Supervisors”	the supervisors of the Company
“%”	per cent.

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

Shanghai, the PRC, 13 December 2018

As at the date of this announcement, the Company's executive directors are Mr. Jiang Guoxing, Mr. Shi Lei, Mr. Yu Jun and Ms. Cheng Junxia; non-executive directors are Ms. Zhang Qianling, Mr. Ma Zhicheng, Mr. Yao Fuli and Ms. Zhang Huajing and independent non-executive directors are Mr. Cheung Wing Keung, Mr. Guo Li, Mr. Chen Baoying and Mr. Lin Fujiang.

*\* For identification purpose only*