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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)

INSIDE INFORMATION
PRELIMINARY PRICE CONSULTATION PERIOD OF A SHARES OFFERING
AND
SUMMARY OF PRINCIPAL PROVISIONS OF PROSPECTUS

This announcement is made by Shanghai Fudan Microelectronics Group Company Limited (the “Company”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Reference is made to the Company’s announcements dated 1 March 2019, 17 April 2019, 16 April 2020, 28 August 2020, 4 October 2020, 8 January 2021, 1 March 2021, 24 March 2021, 29 April 2021, 18 May 2021, 21 May 2021, 2 June 2021, 15 June 2021 and 5 July 2021, and the circulars dated 17 April 2019, 16 April 2020, 28 August 2020, 29 April 2021 and 15 June 2021 containing, among other things, related matters of the Company’s proposed initial public offering of A Shares (the “A Shares Offering”) and listing on the Sci-Tech Innovation Board (the “Sci-Tech Innovation Board”) of the Shanghai Stock Exchange (the “Shanghai Stock Exchange”). Unless otherwise defined, capitalized terms used in this announcement shall have the meanings as defined in the above announcements and circulars.

I. PRELIMINARY PRICE CONSULTATION PERIOD OF A SHARES OFFERING

As disclosed in the announcement of the Company dated 2 June 2021, the CSRC has approved the Company’s application for the registration of the A Shares Offering. As required by the applicable PRC laws and regulations, the Company and the joint lead underwriters will conduct preliminary price consultations among inquiry targets who meet the requirements of the PRC laws and regulations on the preliminary price consultation day, being 20 July 2021 (from 9:30 to 15:00), in the PRC to determine the issue price. The Company will make further announcement(s) once the final offering size and issue price of the A Shares Offering are determined.

II. SUMMARY OF PRINCIPAL PROVISIONS OF PROSPECTUS

The full text of the prospectus for the A Shares Offering (the “Prospectus”) published in Chinese by the Company and the relevant appendix were published on the website of Shanghai Stock Exchange (www.sse.com.cn) on 14 July 2021.

The following is a summary of the principal provisions of the Prospectus:

1. Summary of the A Shares Offering

- | | | |
|--------|--|---|
| (i) | Class of shares: | RMB ordinary shares (A Shares) |
| (ii) | Nominal value of shares: | RMB0.10 |
| (iii) | Numbers of shares to be issued: | It is proposed that the number of Shares to be issued shall be 120,000,000 Shares (excluding the over-allotment option), representing 14.73% of the total share capital of the Company after the new issue. The issue of A Shares is a public offering of new Shares and no public offering of shares from the Company's shareholders is arranged. Upon completion of the new issue, the Company's total issued capital will be RMB81,450,200. The total of the new issue of RMB ordinary shares and the H Shares in issue will not be less than 25% of the total issued share capital after the new issue. |
| (iv) | Issue price per share: | RMB[•] |
| (v) | Price earnings ratio of the of the new issue: | [•]times |
| (vi) | Net asset per share before the new issue: | RMB2.78 (calculated by dividing the audited net assets attributable to the shareholders of the parent as at 31 December 2020 by the total number of shares of the Company before the new issue) |
| (vii) | Estimated net asset per share after the new issue: | RMB[•] |
| (viii) | Price-to-book ratio of the new issue: | [•]times |
| (ix) | Method of issuance: | Adoption of a combination of targeted placement to strategic investors, offline consultation to qualified investors for placement, and other methods as recognized by the CSRC and the Shanghai Stock Exchange |
| (x) | Target subscribers: | Qualified strategic investors, price consultation participants and domestic natural persons, legal persons and other investors, except for those prohibited by laws, regulations and business guidelines |
| (xi) | Method of underwriting: | Standby underwriting by the lead underwriter |
| (xii) | Total and net proceeds raised: | RMB[•] and RMB[•] |

- (xiii) Estimated issue expense:
- a) Sponsor fees: RMB2,830,200
 - b) Underwriting expenses are determined as follows:
 - 1) If the total proceeds raised is not more than RMB700,000,000 (including tax), the underwriting expenses is 6.84%;
 - 2) If the total proceeds raised is more than RMB700,000,000, the underwriting expenses will be calculated at 6.84% on RMB700,000,000 plus 6.13% on the total proceeds raised less RMB700,000,000.
 - c) Auditing fee and capital verification fee: RMB3,679,200
 - d) Legal expenses: RMB4,093,500
 - e) Information disclosure fees: RMB4,528,300
 - f) Handling fees and others: RMB470,100

Note: The above fees exclude VAT, and various fees may be adjusted in accordance with the results of the new issue

- (xiv) Proposed listing of stock exchange and listing board: Sci-Tech Innovation Board of the Shanghai Stock Exchange

Note: The items appear in “[•]” will only be determined once the final offering size and issue price of the A Share Offering are determined.

2. Use of Proceeds

As approved by the extraordinary general meetings and class meetings of the Company held respectively on 3 June 2019 and 28 September 2020, the proceeds from the new issue will be used as the followings:

| No. | Projects invested by the Proceeds | Total amount invested in Projects | Proceeds to be used |
|-------|---|-----------------------------------|---------------------|
| | | RMB0,000 | RMB0,000 |
| 1. | SOPC Chips R&D and Industrialization Project | 36,000 | 30,000 |
| 2. | Reserve for technology research and development | 30,000 | 30,000 |
| Total | | 66,000 | 60,000 |

The proceeds from the new issue will be applied in accordance with the priority and importance in sequence and if there is any insufficiency in the actual funds raised from the A Share Offering, the Company will resolve the shortfall by way of self-financing. Prior to receiving the proceeds from the new issue, the Company may support the implementation of the aforesaid project with its own funds based on the actual progress of such project. Upon receiving the proceeds, the Company will use such proceeds to reimburse the funds previously committed and then to cover for the outstanding investments needed for the above project.

3. Effects of the A Shares Offering on Shareholding Structure of the Company

| No. | Name of shareholder | Before the new issue | | After the new issue | |
|-----|--|--|----------------------------|--|----------------------------|
| | | Number of Shares (ten thousand Shares) | Approximate percentage (%) | Number of Shares (ten thousand Shares) | Approximate percentage (%) |
| 1. | Shanghai Fudan Fukong Technology Enterprise Holdings Limited | 10,962.00 | 15.78 | 10,962.00 | 13.46 |
| 2. | Shanghai Fudan High Tech Company | 10,673.00 | 15.37 | 10,673.00 | 13.10 |
| 3. | Shanghai Zhengben Corporate Management Consultant Partnership Enterprise | 5,216.73 | 7.51 | 5,216.73 | 6.40 |
| 4. | Shanghai Zhenghua Corporate Management Consultant Partnership Enterprise | 3,465.00 | 4.99 | 3,465.00 | 4.25 |
| 5. | Shanghai Guonian Corporate Management Consultant Partnership Enterprise | 2,994.15 | 4.31 | 2,994.15 | 3.68 |
| 6. | Shanghai Shenghao Corporate Management Consultant Partnership Enterprise | 1,474.10 | 2.12 | 1,474.10 | 1.81 |
| 7. | Shanghai Nianjin Corporate Management Consultant Partnership Enterprise | 1,467.78 | 2.11 | 1,467.78 | 1.80 |
| 8. | Shanghai Yuhao Corporate Management Consultant Partnership Enterprise | 901.10 | 1.30 | 901.10 | 1.11 |
| 9. | Jiang Guoxing | 721.00 | 1.04 | 721.00 | 0.89 |
| 10. | Shi Lei | 721.00 | 1.04 | 721.00 | 0.89 |
| 11. | Shanghai Xuling Corporate Management Consultant Partnership Enterprise | 624.30 | 0.90 | 624.30 | 0.77 |
| 12. | Shanghai Haoyue Corporate Management Consultant Partnership Enterprise | 517.70 | 0.75 | 517.70 | 0.64 |
| 13. | Shenzhen Capital Group Co., Ltd | 479.34 | 0.69 | 479.34 | 0.59 |
| 14. | Nanjing Hongtu Xinghe Business Investment Fund | 333.33 | 0.48 | 333.33 | 0.41 |
| 15. | Wuxi Red Land Silk Road Venture Capital Enterprise | 266.67 | 0.38 | 266.67 | 0.33 |

| | | | | | |
|-----|---|------------------|---------------|------------------|---------------|
| 16. | Shenzhen Qianhai Wanrong Hongtu Investment Fund | 200.00 | 0.29 | 200.00 | 0.25 |
| 17. | H Shares shareholders | 28,433.00 | 40.94 | 28,433.00 | 34.91 |
| | Proposed A Shares Offering | | | 12,000.00 | 14.73 |
| | Total | 69,450.20 | 100.00 | 81,450.20 | 100.00 |

The English version of the summary of the principal provisions of the Prospectus mentioned above is an unofficial translation of the text. If there is any inconsistency, the Chinese version shall prevail.

Further announcement(s) regarding the details and developments of the A Shares Offering will be made by the Company as and when appropriate. This announcement appears for information purposes only and does not constitute an invitation or an offer to acquire, purchase or subscribe for the securities of the Company.

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

Shanghai, the PRC, 15 July 2021

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, Ms. Zhang Huajing and Mr. Wu Ping, and independent non-executive directors are Mr. Guo Li, Mr. Cao Zhongyong, Mr. Cai Minyong and Mr. Wang Pin.

** For identification only*