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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)

**CHANGE OF ACCOUNTING STANDARDS
AND
PROPOSED CHANGE OF OVERSEAS AUDITOR**

CHANGE OF ACCOUNTING STANDARDS

Since the listing of H Shares of Shanghai Fudan Microelectronics Group Company Limited (the "Company"), the Company has been preparing its financial statements under both the China Accounting Standards for Business Enterprises (the "CASBE") and the Hong Kong Financial Reporting Standards (the "HKFRS").

In view of the Company has completed its Proposed A Share Offering and listed on the Sci-Tech Innovation Board of the Shanghai Stock Exchange on 4 August 2021, the board of directors of the Company (the "Board") passed a resolution on 16 August 2021 in relation to the preparation of only one set of financial statements of the Company under CASBE (the "Proposed Change of Accounting Standard"). It is expected that the financial statements of the Company for the year ending 31 December 2021 and the financial periods thereafter will be prepared in accordance with CASBE. The Board is of the view that the Proposed Change of Accounting Standard will improve work efficiency and reduce the cost of disclosure, and is in the best interest of the Company and the Shareholders as a whole.

The Company is of the view that the preparation of its financial statements in accordance with CASBE will not have a material effect on the financial position, operating results and cash flows of the Company for the year ended 31 December 2021 and in the future.

PROPOSED CHANGE OF OVERSEAS AUDITOR

Ernst & Young currently acts as the Company's overseas auditor which is responsible for auditing the financial statements of the Company prepared in accordance with the HKFRS. In view of the above change to the standards in the preparation of the Company's overseas financial statements, the Board proposed to change the Company's overseas auditor from Ernst & Young to Ernst & Young Hua Ming LLP, subject to the approval of the Company's shareholders at the general meeting of the Company. The proposed change of overseas auditor has also been approved by the audit committee of the Company (the "Audit Committee").

Ernst & Young confirms that there is no circumstance relating to the proposed change of overseas auditor that needed to be brought to the attention of the Shareholders. The Board is not aware of any issues relating to the proposed change of overseas auditor that needed to be brought to the attention of the Shareholders. The Board and the Audit Committee confirm that there is no disagreement between the Company and Ernst & Young in relation to the proposed change of overseas auditor.

The Board will convene an extraordinary general meeting shortly for the purpose of considering and approving the proposed change of overseas auditor and details of which will be further announced as and when appropriate.

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

Shanghai, the PRC, 16 August 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 purpose only*