
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

If you are in any doubt as to any aspect of about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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)

- (1) WORK REPORT OF THE BOARD OF 2021
 - (2) WORK REPORT OF THE SUPERVISORY COMMITTEE OF 2021
 - (3) FINAL ACCOUNT REPORT OF 2021
 - (4) ANNUAL REPORT OF 2021
 - (5) PROFIT DISTRIBUTION PLAN OF 2021
 - (6) RE-APPOINTMENT OF OVERSEAS AND DOMESTIC AUDITOR OF 2022
 - (7) REMUNERATION OF DIRECTORS AND SUPERVISORS OF 2022
 - (8) PURCHASE OF LIABILITY INSURANCE FOR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT
 - (9) ELECTION OF DIRECTORS FOR THE NINTH SESSION OF THE BOARD
 - (10) ELECTION OF SUPERVISORS FOR THE NINTH SESSION OF THE SUPERVISORY COMMITTEE
 - (11) GENERAL MANDATE TO ISSUE ADDITIONAL A SHARES AND/OR H SHARES
 - (12) NOTICE OF ANNUAL GENERAL MEETING
-

Notice convening the AGM to be held at International Conference Hall, 2/F., Fudan Science and Technology Park Building, 11 Guotai Road, Shanghai, the People's Republic of China on Thursday, 2 June 2022 are set out on pages AGM-1 to AGM-3 of this circular.

Form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.fmsh.com.cn). Whether or not you are able to attend and/or vote at the AGM, you are requested to complete and return the enclosed 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.

28 April 2022

* For identification purpose only

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	
Introduction	4
1. Work Report of the Board of 2021	5
2. Work Report of the Supervisory Committee of 2021	5
3. Final Account Report of 2021	5
4. Annual Report of 2021	5
5. Profit Distribution Plan of 2021	5
6. Re-appointment of Overseas and Domestic Auditor of 2022	6
7. Remuneration of Directors And Supervisors of 2022	6
8. Purchase of Liability Insurance for Directors, Supervisors and Senior Management	7
9. Election of Directors for the Ninth Session of the Board	8
10. Election of Supervisors for the Ninth Session for the Supervisory Committee . .	8
11. General Mandate to Issue additional A Shares and/or H Shares	8
12. Annual General Meeting	10
13. Closure of Register of Members	11
14. Recommendation	11
15. Responsibility Statement	11
APPENDIX 1 – Work Report of the Board of 2021	APP1-1
APPENDIX 2 – Final Account Report of 2021	APP2-1
APPENDIX 3 – Biographies of the Director Candidates of the Ninth Session of the Board	APP3-1
APPENDIX 4 – Biographies of the Supervisor Candidates of the Ninth Session of the Supervisory Committee	APP4-1
NOTICE OF ANNUAL GENERAL MEETING	AGM-1

DEFINITIONS

“AGM”	the annual general meeting of the Company to be held at International Conference Hall, 2/F., Fudan Science and Technology Park Building, 11 Guotai Road, Shanghai, the PRC on Wednesday, 2 June 2022 at 10:00 a.m.
“A Share(s)”	the ordinary share(s) of nominal value of RMB0.10 each of the Company which are subscribed for and traded in RMB
“Articles of Association”	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 A shares are listed on the Sci-Tech Innovation Board and H shares are listed on the main board of the Stock Exchange
“Connected Person(s)”	has the meaning ascribed to it under the Listing Rules
“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 RMB
“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\$
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	22 April 2022 being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China

DEFINITIONS

“SFO”	The Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong
“Sci-Tech Innovation Board”	The Sci-Tech Innovation Board of the Shanghai Stock Exchange
“Share(s)”	Domestic Shares and H Shares
“Shareholder(s)”	registered holder(s) of the Shares
“Shanghai Stock Exchange”	the Shanghai Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisor committee of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“%”	Percent

** For identification purpose only*

LETTER FROM THE BOARD



FUDAN
MICRO

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. Wu Ping

Ms. Liu Huayan

Mr. Sun Zheng

Independent Non-executive Directors:

Mr. Guo Li

Mr. Cao Zhongyong

Mr. Cai Mingyong

Mr. Wang Pin

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:

* For identification purpose only

LETTER FROM THE BOARD

- (1) WORK REPORT OF THE BOARD OF 2021**
- (2) WORK REPORT OF THE SUPERVISORY COMMITTEE OF 2021**
- (3) FINAL ACCOUNT REPORT OF 2021**
- (4) ANNUAL REPORT OF 2021**
- (5) PROFIT DISTRIBUTION PLAN OF 2021**
- (6) RE-APPOINTMENT OF OVERSEAS AND DOMESTIC AUDITOR OF 2022**
- (7) REMUNERATION OF DIRECTORS AND SUPERVISORS OF 2022**
- (8) PURCHASE OF LIABILITY INSURANCE FOR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT**
- (9) ELECTION OF DIRECTORS FOR THE NINTH SESSION OF THE BOARD**
- (10) ELECTION OF SUPERVISORS FOR THE NINTH SESSION OF THE SUPERVISORY COMMITTEE**
- (11) GENERAL MANDATE TO ISSUE ADDITIONAL A SHARES AND/OR H SHARES**
- (12) 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.

At the AGM, resolutions will be proposed to consider approve, among others:

- (1) work report of the Board of 2021;
- (2) work report of the Supervisory Committee of 2021;
- (3) final account report of 2021;
- (4) annual report of 2021;
- (5) profit distribution plan of 2021;
- (6) re-appointment of overseas and domestic auditor of 2022;
- (7) remuneration of Directors and Supervisors of 2022;
- (8) purchase of liability insurance for Directors, Supervisors and senior management;
- (9) election of Directors for the ninth session of the Board;
- (10) election of Supervisors for the ninth session of the Supervisory Committee;

LETTER FROM THE BOARD

- (11) general mandate to issue additional A Shares and/or H Shares; and
- (12) to give you notice of AGM.

Details of the Resolutions:

(1) Work Report of the Board of 2021

An ordinary resolution will be proposed at the AGM to pass the Work Report of the Board of 2021. Full text of the Work Report of the Board of 2021 to be passed is set out in Appendix I to this circular.

(2) Work Report of the Supervisory Committee of 2021

An ordinary resolution will be proposed at the AGM to pass the Work Report of the Supervisory Committee of 2021. Please refer to the section headed “Work Report of the Supervisory Committee of 2021” of the 2021 Annual Report of the Company for full text of the Work Report of the Supervisory Committee of 2021 to be passed.

(3) Final Account Report of 2021

An ordinary resolution will be proposed at the AGM to pass the Final Account Report of 2021. Full text of the Final Account Report of 2021 to be passed is set out in Appendix 2 to this circular.

(4) Annual report of 2021

Pursuant to the requirements according to the appropriate laws and provisions of the Company Law of the PRC, the “Guidelines for the Standards for the Content and Form of Information Disclosure by Companies Publicly Offering Securities No. 2 – Content and Form of Annual Reports (Revised in 2021)” released by the CSRC (collectively referred to as the “Standards of Annual Reports”), the Rules for the Listing of Stocks on the Sci-Tech Innovation Board of the Shanghai Stock Exchange (Revised in December 2020) and the Listing Rules, the preparation of 2021 Annual Report and its summary was completed and consists of audited financial statements of 2021 and the auditor’s report.

The 2021 Annual Report will be sent together with this circular to the Shareholders.

(5) Profit Distribution Plan of 2021

The net profit attributable to shareholders of the parent company of 2021 amounted to RMB514,466,780.71 and the net profit of the Company attributable to the parent company of 2021 amounted to RMB463,739,036.02. The Company’s will base on the total share capital of the Company on the record date for 2021 dividend distribution. The profit distribution proposal is as follows:

LETTER FROM THE BOARD

The Company proposed a cash dividend of RMB0.65 (tax inclusive) for every 10 shares, based on total share capital of 814,502,000 shares in issue as at 31 December 2021, or a total proposed cash dividend of RMB52,942,630.00 (tax inclusive) will be distributed and the cash dividend represents 10.29% of the net profit attributable to shareholders of the parent company for 2021. This profit distribution will not carry out any distribution by way of bonus shares or conversion of capital reserve into share capital.

Final dividend will be declared and calculated in RMB, dividend for holders of A Shares will be paid in RMB whereas dividend for holders of H Shares will be paid in Hong Kong dollars. The exchange rate of cash dividend for converting RMB into Hong Kong Dollars shall be determined by the rate of average benchmark exchange rate of RMB against HKD published by the People's Bank of China five business days before the date declaring the distribution of dividend.

The aforementioned 2021 distribution plan was considered and approved at the Board meeting held on 18 March 2022 and will be put forward for approval at the AGM. Upon approval at the AGM, the Company expects to distribute the cash dividends in accordance with the distribution plan within 60 days after the AGM. The Company will publish further announcement on the arrangements for the distribution of the final dividend, including the record date for distribution of the dividend, the closure of the register of members and other relevant matters.

(6) Re-Appointment of Overseas and Domestic Auditor of 2022

Ernst & Young Hua Ming LLP ("Ernst & Young HM") is the Company's PRC auditor for 2021 and audited the Company's financial statements of 2021 in accordance with the PRC Accounting Standards for Enterprises; and also undertook the role of overseas auditor in accordance with the Listing Rules. During the term of office as auditor of the Company, Ernst & Young HM discharged their duties in accordance with the requirements under laws and regulations as well as professional standards of independence, and impartiality presented their independent audit opinion, and also implemented works according to the provisions of the business contract.

In order to maintain the continuity and stability of the external audit of the Company, the Board proposed to re-appoint Ernst & Young HM as the overseas and domestic auditor of the Company and to provide audit services on internal control for 2022 for a term of one year, and also propose in the 2021 AGM to authorize the Board to determine with Ernst & Young HM for the fees on the relevant audit and execute the relevant business contract.

(7) Remuneration of Directors and Supervisors of 2022

I. Remuneration of Directors and Supervisors of 2022

1. Executive Directors: directors' remuneration are determined in connection with their management positions and duties in the Company, remuneration comprise of fixed salaries and floating target;
2. Non-executive Directors: not entitled to any directors' remuneration;

LETTER FROM THE BOARD

3. In compliance with the regulatory provisions, the current Independent Non-executive Directors are entitled to an annual allowance of RMB200,000 (before tax); Ms. Zou Fuwen who is the candidate for election as an Independent Non-executive Director will be entitled to an annual allowance of RMB200,000 (before tax). Ms. Zou's capacity as an Independent Non-executive Director is subject to the approval at the AGM and allowance will be accounted for from the date of AGM approving her appointment.
4. Supervisors: the employee representative Supervisor is remunerated in according to her management position in the Company and performance appraisal, and no further Supervisor's allowance will be entitled. The Supervisors, Mr. Ren Junyan is entitled to an annual allowance of RMB200,000 (before tax) and Ms. Tang Xiaojie is not entitled to any Supervisor's allowance.

II. Others

1. Directors' remuneration and Supervisor's allowance are paid monthly;
2. The company shall withhold and pay individual income tax in respect of the aforesaid remuneration and allowance on their behalf;
3. In the case of resignation due to expiry of board session, re-election and resignation during term of office, the Directors and Supervisors will be entitled to remuneration or allowance in accordance with actual term in office;
4. Pursuant to the "Rules for Independent Directors of Listed Companies" issued by the CSRC, the Company is responsible for the fees of professionals engaged by the Independent Non-executive Directors and imbursement of any expenses incurred for fulfilling their duties.

The above resolution was considered and approved at the meetings of the Board and Supervisory Committee both held on 18 March 2022 and is now presented to the AGM for approval.

(8) Purchase of Liability Insurance for Directors, Supervisors and Senior Management

Pursuant to the requirements under the provisions of the "Code of Corporate Governance" released by the CSRS, directors, supervisors and senior management should be covered with liability insurance. The Company will renew the insurance cover for a term of one year with extension to cover liabilities in respect of both the listings of H Shares and A Shares with a renewal premium not exceeding HK\$65,065.

LETTER FROM THE BOARD

(9) Election of Directors for the Ninth Session of the Board

As the term of office of the 8th session of the Board will be expired on 2 June 2022, the Board proposed to consider the resolutions in the AGM for the elections of Mr. Jiang Guoxing, Mr. Shi Lei, Mr. Yu Jun and Ms. Cheng Junxia as Executive Directors for the Ninth Session of the Board; Ms. Zhang Qianling, Mr. Wu Ping, Ms. Liu Huayan and Mr. Sun Zheng as Non-executive Directors for the Ninth Session of the Board; and Mr. Cao Zhongyong, Mr. Cai Mingyong, Mr. Wang Pin and Ms. Zou Fuwen as Independent Non-executive Directors for the Ninth Session of the Board.

Upon the proposed election of Directors being approved, the Company will enter into a service contract with each of them. Unless otherwise required by law, the terms of office as Directors will be commenced from 3 June 2022 for 3 years.

The biographical details of the Director candidates are set out in Appendix 3 to this circular.

(10) Election of Supervisors for the Ninth Session of the Supervisory Committee

As the term of office of the 8th session of the Supervisory Committee will be expired on 2 June 2022, the Supervisory Committee proposed to consider the resolutions in the AGM for the elections of Mr. Ren Junyan and Ms. Tang Xiaojie as shareholders' representative Supervisors for the Ninth Session of the Supervisory Committee.

Upon the proposed election of Supervisors being approved, the Company will enter into a service contract with each of the two Supervisors. Unless otherwise required by law, the terms of office as Directors will be commenced from 3 June 2022 for 3 years.

The employees' representative Supervisor will be elected in general meeting of the Company's employees.

The biographical details of the two Supervisor candidates are set out in Appendix 4 to this circular.

(11) General Mandate to Issue Additional A Shares and/or H Shares

Pursuant to the requirements of Hong Kong Listing Rules and the Article of Association, and in order to grasp market opportunities, ensure flexibility in issuing new shares and in line with the A+H listed company practices, the Board proposes to approve the grant of a general mandate to the Board by a special resolution at the AGM to authorize the Board to decide to, subject to market condition and the needs of the Company, separately or concurrently issue, allot and deal with new shares not exceeding 20% of the respective amount of A shares and/or H shares in issue at the date of the passing of such resolution at the AGM.

The proposed grant is according to usual practice of A+H shares companies, as of the date of this circular, the Board has no existing plan for issuing new shares pursuant to the general mandate.

LETTER FROM THE BOARD

Details of the General Mandate

The general mandate includes but not limited to:

1. Granting of an unconditional and general mandate to the Board (or the director(s) authorized by the Board) to, subject to market condition and the needs of the Company, separately or concurrently issue, allot and deal with additional shares in the share capital of the issued A shares and H shares and make or grant offers, agreements, or options in relation to such Shares during the relevant period (as defined below).
2. The aggregate nominal value of the A shares and/or H shares to be conditionally or unconditionally allotted by the Board (whether pursuant to the exercise of options or otherwise) shall not exceed:
 - i) 20% of the aggregate nominal value of the existing A shares issued as at the date of the passing of this resolution at the AGM; and/or
 - ii) 20% of the aggregate nominal value of the existing H shares issued as at the date of the passing of this resolution at the AGM.
3. The Board be authorized to, when exercising its power under the general mandate, formulate and implement a detailed issuance plan, including but not limited to the class of the new shares to be issued, pricing mechanism and/or issuance price (including price range), number of shares to be issued, allottees and use of proceeds, time of issuance, period of issuance and whether to place shares to existing Shareholders.
4. The Board be authorized to engage intermediate agencies for share issuance related matters, and to approve and execute all acts, deeds, documents or other matters necessary, appropriate, desirable or associated with the share issuances; approve and execute, on behalf of the Company, agreements related to share issuance, including but not limited to placing and underwriting agreement and engagement agreements of intermediate agencies.
5. The Board be authorized to approve and execute, on behalf of the Company, statutory documents in relation to share issuance to be submitted to regulatory authorities, to carry out relevant approval procedures as required by regulatory authorities and venues in which the Company is listed, and to complete all necessary filings, registrations and records with the relevant governmental authorities of Hong Kong and/or any other regions and jurisdictions (if applicable).
6. The Board be authorized to amend, as required by regulatory authorities within or outside the PRC, agreements and statutory documents referred to in (4) and (5) above.

LETTER FROM THE BOARD

7. The Board be authorized to increase the registered capital of the Company after A share issuance, and to make corresponding amendments to the Articles of Association relating to the aggregate share capital and shareholdings, etc. and the Board be authorized to carry out the relevant procedures.

Validity Period of the General Mandate

The exercising of the mandate referred to above shall only be valid in the Relevant Period, except if the Board has made or granted offers, agreements or options during the Relevant Period in relation to the issuance of A shares and/or H shares, which may require further promotion or implementation after the Relevant Period. The “**Relevant Period**” refers to the period from the passing of this resolution as a special resolution at the AGM until whichever is the earliest of:

1. the conclusion of the 2022 annual general meeting of the Company;
2. the expiration of the 12-month period following the passing of this resolution as a special resolution at the AGM; and
3. the revocation or variation of the authority under this resolution by passing of a special resolution at a general meeting of the Company. The exercising of the power granted under the abovementioned general mandate by the Board is subject to all the necessary approvals of the CSRC and/or the relevant authorities of the PRC and in accordance with the Company Law and the relevant requirements under the Listing Rules.

At the same time, if the above resolution is passed at the AGM and unless otherwise required by applicable laws, the Board is authorized to sign, execute, modify, complete, and submit all agreements, contracts and documents relating to the allotment, issuance and disposal of shares under the General Mandate.

The above resolution was considered and approved by the Board on 18 March 2022, and is hereby submitted to the AGM for its consideration and approval.

(12) Annual General Meeting

A notice convening the AGM is set out in pages AGM-1 to AGM-3 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.

Under Rule 14A.36 of the Listing Rules, any shareholder who has a material interest in the transaction must abstain from voting on the resolution. As at the Latest Practicable Date, to the best of the Directors’ knowledge, information and belief, no Shareholder is required to abstain from voting on any resolution to be proposed at the AGM.

LETTER FROM THE BOARD

(13) Closure Of Register Of Members

For the purpose of AGM, the Register of Members of H Shares of the Company will be closed from 27 May 2022 to 2 June 2022 (both days inclusive) and during which no transfer of H Shares will be effected.

Persons who hold Shares and whose names appear on the Register of Members of the Company as at 2 June 2022 shall be entitled to attend the AGM. To be qualified to attend the AGM, all transfers of H Shares accompanied by the relevant share certificates must be lodged at the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 26 May 2022.

(14) Recommendation

The Directors consider that the above proposals 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.

(15) 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, 28 April 2022

2021 WORK REPORT OF THE BOARD

In 2021, the Board of Directors of Shanghai Fudan Microelectronics Group Company Limited (the “Company”) earnestly performed the duties of the Board of Directors granted by shareholders, and carried out various tasks diligently and responsibly in strict accordance with provisions of the Company Law, the Securities Law, the Rules Governing the Listing of Stock on STAR Market of Shanghai Stock Exchange (the “STAR Market Listing Rules”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”), the Articles of Association, the Rules of Procedures of the Board and other relevant laws and regulations, regulatory documents and corporate rules, which promoted sustainable, healthy and stable development of the Company. The major work of the Board in 2021 is hereby reported below:

I. MAJOR OPERATIONS OF THE COMPANY IN 2021

In 2021, the Company’s operating income increased by 52.42% over the same period of last year; the net profit attributable to shareholders of the listed company was approximately RMB514 million, an increase of 287.20% over the same period of last year; the net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss for the current period was approximately RMB445 million, an increase of 1,015.57% over the same period of last year.

On 4 August 2021, the shares of the Company were successfully listed on the STAR Market of the Shanghai Stock Exchange, and the first grant of the second tranche of restricted share incentive was completed at the end of last year. The Company will take the listing on the STAR Market as an opportunity to further enhance its operating strength, create better performance, and work with shareholders to make Shanghai Fudan Microelectronics stronger and better.

II. DAILY WORK OF THE BOARD IN 2021

(I) Convening of general meetings and implementation of resolutions of general meetings by the Board

In 2021, the Board of the Company held and convened three general meetings in total. The meetings were held as follows:

Session of meeting	Date of meeting	Query index of the designated website publishing the resolutions	Date of publishing the resolutions	Meeting resolution
2020 annual general meeting, domestic shareholders’ class meeting, H shareholders’ class meeting	2 June 2021	www.hkex.com.hk	2 June 2021	See note 1 for details
2021 first extraordinary general meeting	5 July 2021	www.hkex.com.hk	5 July 2021	See note 2 for details

Session of meeting	Date of meeting	Query index of the designated website publishing the resolutions	Date of publishing the resolutions	Meeting resolution
2021 second extraordinary general meeting, 2021 second A shareholders' class meeting, 2021 second H shareholders' class meeting	5 November 2021	www.sse.com.cn www.hkex.com.hk	6 November 2021	See note 3 for details

Note 1:

All ordinary resolutions at the 2020 annual general meeting were passed:

1. To receive and consider the audited consolidated financial statements and the Reports of the Directors and the Auditors for the year ended 31 December 2020;
2. To receive and consider the Report of the Supervisors;
3. To reappoint Ernst & Young as auditor of the Company and to authorise the Board to fix their remuneration;
4. To confirm the related party transactions of 2020;
5. (a) To approve, ratify and confirm the New Cooperation Agreement (a copy of which was tabled at the meeting marked "A" and signed by the Chairman for the purpose of identification) and the transactions contemplated thereunder and any other accompanying documents;
- (b) To approve, ratify and confirm the 2022-2024 Annual Caps of the transactions contemplated under the New Cooperation Agreement and to revise the 2021 Annual Cap of the transactions contemplated under the Old Cooperation Agreement and the New Cooperation Agreement;
- (c) To authorize any Director on behalf of the Company to give effect to the New Cooperation Agreement and the transactions contemplated thereunder or to do such acts and things as the Director in his/her discretion may consider appropriate, necessary or desirable to implement, and sign or seal to execute any agreement, deed, written form and other documents or to make relevant arrangements, and be restricted by and according to the appropriate laws and provisions, under the circumstances in the interests of the Company and its shareholders as a whole, to approve and make the relevant insignificant change, revise, supplement or waive insignificant issues.

All special resolutions at the 2020 annual general meeting were passed:

1. To extend the validity period of the resolution in respect of the proposed A share offering;
2. To extend the authorisations granted to the Board to handle all matters relating to the IPO and listing of A shares;
3. To refresh the general mandate to issue additional new shares* (the full text of the resolutions were set out in the notice of the annual general meeting issued on 18 April 2021).

All special resolutions at the domestic shareholders' class meeting were passed:

1. To extend the validity period of the resolution in respect of the proposed A Share Offering;
2. To extend the authorisations granted to the Board to handle all matters relating to the IPO and listing of A Shares.

All special resolutions presented at the H shareholders' class meeting were passed:

1. To extend the validity period of the resolution in respect of the proposed A Share Offering;
2. To extend the authorisations granted to the Board to handle all matters relating to the IPO and listing of A Shares

Note 2:

All ordinary resolutions at the 2021 first extraordinary general meeting were passed:

1. Strategic Allotment under the A Share Offering to Connected Persons;
2. Amendments to Rules of Procedures of the General Meetings;
3. Amendments to Rules of Procedures of the Board of Directors;
4. Amendments to Rules of Procedures of the Supervisory Committee;
5. Amendments to Proceeds Management System;
6. Amendments to Rules for Management of Related Party Transactions;
7. Amendments to the Working Rules for Independent Directors

The special resolution was passed: Amendments to Articles of Association (Draft).

Note 3:

All ordinary resolutions at the 2021 second extraordinary general meeting were passed:

1. Resolution on Change of Accounting Firm
2. Resolution on Utilisation of the Surplus Funds Raised for Permanent Replenishment of Working Capital
3. Resolution on the Increase in Annual Caps of Daily Related Party Transaction with Fudan Communication
4. Resolution on the 2021 Restricted Share Incentive Scheme (Draft) of the Company and its Summary
5. Resolution on the Management Measures for Assessment for the Implementation of the 2021 Restricted Share Incentive Scheme of the Company
6. Resolution on Proposed Authorization at the General Meeting of Authorization to the Board of Directors for Handling Matters Relating to Equity Incentives
- 7.01 Resolution on the Election of Ms. Liu Huayan as a Non-executive Director of the Eighth Session of the Board
- 7.02 Resolution on the Election of Mr. Sun Zheng as a Non-executive Director of the Eighth Session of the Board
- 8.01 Resolution on the Election of Ms. Tang Xiaojie as a Non-employee Supervisor of the Eighth Session of the Supervisory Committee

All resolutions at the 2021 second A shareholders' class meeting were passed:

1. Resolution on the 2021 Restricted Share Incentive Scheme (Draft) of the Company and its Summary
2. Resolution on the Management Measures for Assessment for the Implementation of the 2021 Restricted Share Incentive Scheme of the Company
3. Resolution on Proposed Authorization at the General Meeting of Authorization to the Board of Directors for Handling Matters Relating to Equity Incentives

All resolutions at the 2021 second H shareholders' class meeting were passed:

1. Resolution on the 2021 Restricted Share Incentive Scheme (Draft) of the Company and its Summary
2. Resolution on the Management Measures for Assessment for the Implementation of the 2021 Restricted Share Incentive Scheme of the Company
3. Resolution on Proposed Authorization at the General Meeting of Authorization to the Board of Directors for Handling Matters Relating to Equity Incentives

(II) Convening of Board Meetings

During the reporting period, the Company promoted the work of the Board in a standardized, efficient and pragmatic manner in accordance with the relevant provisions of laws and regulations, regulatory documents and the Articles of Association and the Rules of Procedure of the Board, and continuously improved standardized operation and scientific decision-making of the Board of the Company. The Board of the Company comprises twelve Directors, including four independent non-executive Directors. The number and composition of the Board meet the requirements of laws and regulations.

During the reporting period, the Company convened thirteen Board meetings in total, and the methods of convening, procedures, voting methods and resolutions of each Board meeting were in compliance with the relevant laws, regulations, the Articles of Association and the Rules of Procedure of the Board. All Directors performed their duties and obligations diligently and dutifully in accordance with laws and regulations and the Articles of Association. The meetings of the Board were held as follows:

Session of meeting	Date of meeting	Meeting resolution
18th meeting of the 8th session of the Board	2021.02.23	See notes
19th meeting of the 8th session of the Board	2021.03.12	
20th meeting of the 8th session of the Board	2021.04.08	
21st meeting of the 8th session of the Board	2021.04.19	
22nd meeting of the 8th session of the Board	2021.05.18	
23rd meeting of the 8th session of the Board	2021.06.15	
24th meeting of the 8th session of the Board	2021.08.16	
25th meeting of the 8th session of the Board	2021.08.27	
26th meeting of the 8th session of the Board	2021.09.23	
27th meeting of the 8th session of the Board	2021.10.19	
28th meeting of the 8th session of the Board	2021.10.28	
29th meeting of the 8th session of the Board	2021.12.06	
30th meeting of the 8th session of the Board	2021.12.06	

Notes:

The following resolutions were considered and passed at the 18th meeting of the 8th session of the Board:

1. Resolution on the Connected Transaction of Entering into the Technology Development Contract and Technology Service Contract with Fudan University by Each of the Company and Sino IC
2. Resolution on the Announcement in relation to Connected Transaction and Continuing Connected Transaction

The following resolutions were considered and passed at the 19th meeting of the 8th session of the Board:

1. Resolution on the Audited Consolidated Results Report and 2020 Annual Report and Preliminary Results Announcement
2. Resolution on Proposed Distribution of 2020 Final Dividend
3. Resolution on Proposed for Convention of Annual General Meeting and Class Meeting of Shareholders
4. Resolution on Determining the Record Date
5. Resolution on Closure of Register of Members
6. Resolution on the Environmental, Social and Governance Report
7. Resolution on Internal Control and Risk Management Report
8. Resolution on Determining Directors' Remuneration for the Year 2021
9. Resolution on Nomination and Election of Mr. Cai Minyong as A Member of the Strategy and Investment Committee
10. Resolution on Proposed Extension of the Validity Period of the Proposed Issuance of A Shares
11. Resolution on Proposed Extension of the Validity Period of the Authorization to the Board to Handle Matters regarding the Initial Public Offering of A Shares and Listing
12. Resolution on Confirming the Connected Transactions in 2020
13. Resolution on Shareholders' Circular

14. Resolution on Handling with Credit Business with China Everbright Bank, SPD Bank, China CITIC Bank and ICBC
15. Resolution on Connected Transactions in relation to Entering into the Cooperation Agreement with Fudan Communication

The following resolution was considered and passed at the 20th meeting of the 8th session of the Board:

1. Resolution on Entering into Property Sale and Purchase Agreement

The following resolution was considered and passed at the 21st meeting of the 8th session of the Board:

1. Resolution on the Audit Reports for the Three Years Ended 31 December 2018, 2019 and 2020 Prepared under the Requirements of Chinese Accounting Standards for Business Enterprises

The following resolutions were considered and passed at the 22nd meeting of the 8th session of the Board:

Resolution on the First Quarterly Unaudited Consolidated Results Report for the Three Months Ended 31 March 2021

Resolution on the Strategic Placement of A Shares to Connected Persons

Resolution on the Extraordinary General Meeting

Resolution on Amending the Articles of Association (Draft)

Resolution on Amending the Management System for Internal Control

The following resolutions were considered and passed at the 23rd meeting of the 8th session of the Board:

Resolution on Determining the Date on Convening the Extraordinary General Meeting

Resolution on Closure of Register of Members

Resolution on Determining the Record Date

Resolution on the Shareholders' Circular of Extraordinary General Meeting

Resolution on the Number of A Shares under the Initial Public Offering

Resolution on the Strategic Placement of A Shares to Institutional Investors

Resolution on Fixed Assets Loan Contract and Mortgage Contract

The following resolutions were considered and passed at the 24th meeting of the 8th session of the Board:

1. Resolution on Preparing Financial Statements by the Company in accordance with the Chinese Accounting Standards for Business Enterprises
2. Resolution on Change of Accounting Firm
3. Resolution on Appointment of Representative of Securities Affairs

The following resolutions were considered and passed at the 25th meeting of the 8th session of the Board:

1. Resolution on 2021 Interim Report and Highlights
2. Resolution on the Replacement of Self-raised Funds Invested in Advance with Proceeds from the Issuance
3. Resolution on the Permanent Replenishment of Liquidity by Using Part of the Surplus Proceeds
4. Resolution on Cash Management by Using Temporarily Idle Proceeds
5. Resolution on the Amendments to the Articles of Association and Handle with Change of Business Registration
6. Resolution on External Investment in Industrial Investment Funds and Related Party Transactions
7. Resolution on Increase of the Annual Caps of Daily Related Party Transaction with Fudan Communication
8. Resolution on Convening the 2021 Second Extraordinary General Meeting of the Company

The following resolutions were considered and passed at the 26th meeting of the 8th session of the Board:

1. Resolution on the 2021 Restricted Share Incentive Scheme of the Company (Draft) and Its Summary
2. Resolution on Administrative Measures of the Implementation of the Assessment for the 2021 Restricted Share Incentive Scheme of the Company

3. Resolution on the Authorization Granted by the General Meeting to the Board to Deal with Matters relating to the Restricted A Share Incentives
4. Resolution on Additional Election of Non-executive Directors of the Eighth Session of the Board
5. Resolution on the Increase in Annual Caps of Daily Related Party Transaction with Fudan University
6. Resolution on Cash Management by Using Self-owned Funds
7. Resolution on Convening 2021 Second Extraordinary General Meeting, 2021 Second A Shareholders' Class Meeting and 2021 Second H Shareholders' Class Meeting

Resolutions regarding H Share Procedures

1. Record Date (for H shares)
2. Determining Closure of Registration of Members of H Shares during the Period from 25 October 2021 to 28 October 2021 (both Days Inclusive)
3. Shareholders' Circular (for H shares)

The following resolutions was considered and passed at the 27th meeting of the 8th session of the Board:

Resolution on Postponement of 2021 Second Extraordinary General Meeting, 2021 Second A Shareholders' Class Meeting and 2021 Second H Shareholders' Class Meeting

The following resolution was considered and passed at the 28th meeting of the 8th session of the Board:

Resolution on the 2021 Third Quarterly Report

The following resolution was considered and passed at the 29th meeting of the 8th session of the Board:

1. Resolution on the Establishment of the ESG Committee under the Board and Election of Members;
2. Resolution on the Formulation of Working Rules of the ESG Committee under the Board of Shanghai Fudan Microelectronics Group Company Limited;
3. Resolution on Application for Public Offering and Listing of Shares of Sino IC Technology Co., Ltd. on the Beijing Stock Exchange

Resolution on H Shares:

Resolution on Sino IC Technology's Application for Listing on Beijing Stock Exchange and Procedures on H Shares

The following resolutions were considered and passed at the 30th meeting of the 8th session of the Board:

Resolution on Adjusting the List of Participants and Number of First Grant of 2021 Restricted Share Incentive Scheme;

Resolution on First Grant of Restricted Shares to Participants;

(III) Directors' Performance of Duties

Name of director	Independent directors or not	Times of attendance required for board meetings	Attendance of board meeting		Times of attendance by proxy	Absences	Failure to attend the meeting in person on two consecutive occasions	Attendance of general meeting
			Attendance in person	Attendance by telecommunication				
Jiang Guoxing	No	13	8	5	0	0	No	3
Shi Lei	No	13	8	5	0	0	No	3
Yu Jun	No	13	8	5	0	0	No	1
Cheng Junxia	No	13	8	5	0	0	No	3
Zhang Qianling	No	13	8	5	0	0	No	2
Ma Zhicheng (Note 1)	No	11	7	4	0	0	No	1
Zhang Huajing (Note 1)	No	11	7	4	0	0	No	1
Wu Ping	No	13	8	5	0	0	No	1
Guo Li	Yes	13	8	5	0	0	No	1
Cao Zhongyong	Yes	13	8	5	0	0	No	3
Cai Minyong	Yes	13	8	5	0	0	No	2
Wang Pin	Yes	13	8	5	0	0	No	3
Liu Huayan (Note 2)	No	2	1	1	0	0	No	0
Sun Zheng (Note 2)	No	2	1	1	0	0	No	0

Note 1: Mr. Ma Zhicheng and Ms. Zhang Huajing ceased to be non-executive directors of the Company since 5 November 2021. They should attend 11 board meetings and 3 general meetings and extraordinary general meeting from 1 January to 5 November 2021.

Note 2: Ms. Liu Huayan and Mr. Sun Zheng were appointed as non-executive directors of the Company on 5 November 2021. They should attend 2 board meetings and were not required to attend general meetings or extraordinary general meeting from 5 November to 31 December 2021.

During the reporting period, no directors failed to attend board meetings for two consecutive times;

During the reporting period, the independent non-executive directors of the Company have no objection to the board resolutions or other resolutions of the Company for the year.

(iv) Performance of Duties of Special Committees under the Board

In accordance with the Company Law, the Guidelines for Corporate Governance of Listed Companies issued by China Securities Regulatory Commission, STAR Market Listing Rules and Hong Kong Listing Rules and other regulations, the Company has formulated the working rules of each special committee under the Board of Directors, and the establishment and composition, responsibilities and permissions, decision-making procedures and rules of procedures of each professional committee are clearly stipulated. Details are as follows:

(1). *Members of special committees under the Board*

Special committee	Name of member
Audit Committee	Wang Pin, Guo Li, Cai Minyong
Nomination Committee	Cai Minyong, Guo Li, Cheng Junxia
Remuneration and Appraisal Committee	Cai Minyong, Guo Li, Cheng Junxia
Strategy and Investment Committee	Cheng Junxia, Jiang Guoxing, Shi Lei, Yu Jun, Cai Minyong
ESG Committee	Jiang Guoxing, Cheng Junxia, Cao Zhongyong

(2). *The Audit Committee held 7 meetings during the Reporting Period*

Date of convention	Meeting content	Major opinions and suggestions
12 March 2021	2021 first meeting of the Audit Committee	<ol style="list-style-type: none"> 1. To consider the resolution on the audited consolidated results report for the year ended 31 December 2020 2. To consider the resolution on preliminary results announcement for the year ended 31 December 2020 3. To consider the resolution on re-appointment of Ernst & Young as the Auditor of the Year 2021 4. To consider the resolution on risk management and internal control system 5. To consider the resolution on continuing connected transaction in 2020 6. To consider the resolution on establishing an independent board committee in relation to the connected transaction of Fudan Communication
18 May 2021	2021 second meeting of the Audit Committee	To consider the resolution on unaudited consolidated results report of the first quarter for the three months ended 31 March 2021
2 June 2021	2021 third meeting of the Audit Committee	To listen to the external auditor Ernst & Young's opinions and suggestions to the management of the Company on the audit observations and risk assessment of the Group
16 August 2021	2021 fourth meeting of the Audit Committee	To consider the resolution on appointment of Ernst & Young Hua Ming LLP (Special General Partnership) as the Company's auditor for financial report in 2021 under Chinese Accounting Standards for Business Enterprises
27 August 2021	2021 fifth meeting of the Audit Committee	<ol style="list-style-type: none"> 1. To consider the resolution on 2021 interim report and its highlights 2. To consider the resolution on the increase of the annual cap of daily related party transaction in 2021 with Fudan Communication
28 October 2021	2021 sixth meeting of the Audit Committee	To consider the resolution on the third quarterly report in 2021
17 December 2021	2021 seventh meeting of the Audit Committee	<ol style="list-style-type: none"> 1. Matters regarding the promotion of internal control audit 2. Audit plan arrangement and other matters in 2021

(3). *The Nomination Committee held 2 meetings during the Reporting Period*

Date of convention	Meeting content	Major opinions and suggestions
12 March 2021	2021 first meeting of the Nomination Committee	1. Resolution on reviewing the structure, number and composition of the Board of Directors 2. Resolution on assessing the independence of independent non-executive directors
23 September 2021	2021 second meeting of the Nomination Committee	Nominate Ms. Liu Huayan and Mr. Sun Zheng as non-executive director candidates for the eighth session of the Board of Directors, and submit the same to the Board of Directors and the general meeting to perform the corresponding procedures

(4). *The Remuneration and Appraisal Committee held 2 meetings during the Reporting Period*

Date of convention	Meeting content	Major opinions and suggestions
12 March 2021	2021 first meeting of the Remuneration and Appraisal Committee	1. To consider directors' remuneration in 2021 2. To consider the resolution on directors' appointment contract
23 September 2021	2021 second meeting of the Remuneration and Appraisal Committee	To consider the Resolution on the 2021 Restricted Share Incentive Scheme and Assessment Plan

(5). *The Strategy and Investment Committee held 2 meetings during the Reporting Period*

Date of convention	Meeting content	Major opinions and suggestions
12 March 2021	2021 first meeting of the Strategy and Investment Committee	Review the results and operations of currently invested associates and other investment projects in 2020

Date of convention	Meeting content	Major opinions and suggestions
27 August 2021	2021 second meeting of the Strategy and Investment Committee	Conducted research on the matter of investing in Shanghai Haojun Venture Capital Partnership (Limited Partnership) (上海皓駿創業投資合夥企業(有限合夥))

(6). The ESG Committee held 1 meeting during the Reporting Period

Date of convention	Meeting content	Major opinions and suggestions
10 December 2021	2021 first meeting of the ESG Committee	Establishment of work group of ESG committee and set up 1 secretary of the ESG committee

(v) Performance of Duties by Independent Non-executive Director

In 2021, the independent non-executive Directors of the Company performed their duties faithfully and diligently, actively attended relevant meetings, carefully reviewed various resolutions of the Board of Directors, and made objective and fair judgments and expressed independent opinions on the Company's financial reports, related party transactions, corporate governance, equity incentives, and replacement of directors and supervisors, which gave full play to the role of independent directors and safeguarded the overall interests of the Company and the interests of all shareholders.

(vi) Information Disclosure and Transparency

The Company disclosed relevant information in a true, accurate, complete, and timely manner in strict accordance with laws, regulations, and the listing rules of Shanghai and Hong Kong to offer equal access to information on the Company for all shareholders and other stakeholders.

(vii) Insiders Management

In accordance with the Registration and Management System for Insiders and other relevant systems, the Company strives to keep insiders to a minimum, strengthens the confidentiality of insider information, and improves the registration and management of insiders. The directors, supervisors and senior management and other relevant personnel of the Company can strictly abide by the confidentiality obligations during the preparation of regular reports and temporary announcements and during the planning of major events.

III. WORK PLAN FOR THE YEAR 2022

In 2022, the Board of Directors and all Directors will continue to perform their duties and responsibilities diligently and give full play to their professional advantages for the development of the Company, with a focus on the following tasks:

1. Promoting the election of directors in compliance with laws and regulations to ensure that the work of the board of directors is carried out in an orderly manner.
2. Paying close attention to the macro environment, industry landscape, and the dynamics of cutting-edge technologies, to guide the management to continuously enhance market acumen, improve the Company's operational efficiency and overall competitiveness, and promote the Company's business operations to develop continuously.
3. Revising the system according to the latest supervision ideas of Shanghai and Hong Kong, to continuously improve and perfect the operation system of listed companies, and optimize the corporate governance structure.
4. Performing information disclosure duties. The board of directors of the Company will continue to conscientiously fulfill the obligation of information disclosure, strictly control the information disclosure, and effectively improve the Company's standardized operation and transparency in strict accordance with the relevant rules of Shanghai and Hong Kong and the requirements of the Articles of Association.

For more information on the report of the board of directors, please refer to relevant sections of the 2021 annual report published by the Company on the official website of the Shanghai Stock Exchange (www.sse.com.cn) and the website of the Stock Exchange (www.hkex.com.hk) on 21 March 2022.

FINAL ACCOUNT REPORT OF 2021

The Company's financial statements for the year 2021 have been audited by Ernst & Young Hua Ming LLP, and an unqualified auditor's report (Ernst & Young HM (2022) Shen Zi No. 60469429_B01) was issued on 18 March 2022. During the year of 2021, the Company achieved operating income of RMB2,577,262,300, representing a 52.42% increase compared with the same period of the previous year, and realized a net profit attributable to shareholders of the listed company of RMB514,466,800, an increase of 287.20% over the same period of the previous year. The Company's final account report is as follows:

I. KEY FINANCIAL DATA AND INDICATORS

Item	2021	2020	RMB '0,000 Change (%)
Revenue	257,726.23	169,089.68	52.37
Operating profit	57,336.10	17,002.34	234.79
Gross profit	58.91%	45.96%	Increased by 12.95 percentage points
Total Profit	57,344.95	17,004.60	234.80
Net profit attributable to owners of the parent	51,446.68	13,286.79	286.26
Net profit deducting non-recurring profit or loss attributable to owners of the parent	44,425.82	3,987.90	1,022.57
Basic earnings per share (RMB)	0.69	0.19	263.16
Weighted average rate of return on net assets (%)	20.77%	7.15%	Increased by 13.63 percentage points
Item	31 December 2021	31 December 2021	Change (%)
Total assets	416,501.42	267,860.30	55.49
Net assets attributable to owners of the parent	314,024.57	193,025.24	62.69
Net assets per share attributable to owners of the parent (RMB)	3.86	2.78	38.72

Notes: The above financial data and indicators were extracted from data of the consolidated financial statements.

2. ANALYSIS OF FINANCIAL STATUS

(1) Analysis of major assets

Item	31 December 2021	31 December 2020	RMB '0,000 Change (%)
Cash at bank and on hand	80,164.72	44,069.97	81.90
Financial assets held for trading	39,094.81	—	N/A

Item	31 December 2021	31 December 2020	RMB '0,000 Change (%)
Prepayments	8,436.29	6,409.80	31.62
Other receivables	1,847.37	1,175.20	57.20
Inventories	91,608.31	61,059.76	50.03
Fixed assets	56,787.65	34,758.83	63.38
Intangible assets	7,483.32	11,716.24	-36.13
Development costs	17,272.81	10,487.55	64.70
Long-term prepaid expenses	5,737.88	2,903.99	97.59
Other non-current assets	3,192.28	628.40	408.00
Total assets	416,501.42	267,860.30	55.49

Notes: The above financial data and indicators were extracted from data of the consolidated financial statements.

Analysis of major changes:

- i) cash at bank and on hand: increased by 81.90% over the last period end, mainly due to the fund raising from initial public offering of the Company during the Reporting Period.
- ii) financial assets held for trading: significant increase over the last period end, mainly due to increasing acquisitions of structured deposits with temporary use of unutilised fund by the Company for the enhancement of return of capital during the Reporting Period.
- iii) prepayments: increased by 31.62% over the last period end, mainly due to expansion of the Company's operating business; tight upstream supply chain during the Reporting Period, which caused the Company to increase prepayment on purchases.
- iv) other receivables: increased by 57.20% over the last period end, mainly due to payment of deposits to suppliers for the security of production capacity.
- v) inventories: increased by 50.03% over the last period end, mainly due to expansion of the Company's operations and the tight upstream supply chain during the Reporting Period, which caused the increase in inventory level.
- vi) fixed assets: increased by 63.38% over the last period end, mainly due to acquisitions of testing equipment and office premises during the Reporting Period as a result of business expansion of the Company.
- vii) intangible assets: decreased by 36.13% over the last period end, mainly due to the amounts of provision for amortisation and impairment during the Reporting Period, which caused the intangible assets decreased during the current period.

- viii) development costs: increased by 64.70% over the last period end, mainly due to amount of new R& D expenses incurred during the Reporting Period were more than the amount capitalised as intangible assets.
- ix) long-term prepaid expenses: increased by 97.59% over the last period end, mainly due to improvement project carried out during the Reporting Period related to office premises acquired.
- x) other liabilities: increased by 408.00% over the last period end, mainly due to deposit for the acquisition of plant, machinery and equipment.

(2) Analysis of major liabilities

Item	31 December 2021	31 December 2020	RMB '0,000
			Change (%)
Contract liabilities	12,627.48	2,570.45	391.26
Employee benefits payable	16,201.21	11,442.03	41.59
Other payables	3,116.36	4,981.98	-37.45
Current portion of non-current liabilities	4,483.29	999.98	348.34
Other current liabilities	13,277.11	10,016.10	32.56
Long-term borrowings	1,820.00	–	N/A
Deferred income	2,421.56	4,408.69	-45.07
Total liabilities	79,811.16	56,655.17	40.87

Notes: The above financial data and indicators were extracted from data of the consolidated financial statements.

Analysis of major changes:

- i) contract liabilities: increased by 391.26% over the last period end, mainly due to increasing in downstream application market demand during the Reporting Period, which brought with increasing in contract liabilities.
- ii) employee benefits payable: increased by 41.59% over the last period end, mainly due to expansion of business operations, the Company has to increase staff and to adjust salary level in order to retain talent during the Reporting Period.
- iii) other payables: decreased by 37.45% over the last period end, mainly due to receipts of payment and current account settlement from search activities during the Reporting Period
- iv) current portion of non-current liabilities: increased by 348.34% over the last period end, mainly due to repayment of principal and interest of long term borrowings to be due in the coming year.

- v) other current liabilities: increased by 32.56% over the last period end, mainly due to receipt of additional government subsidies from R& D projects.
- vi) long-term borrowings: increased significantly over the last period, mainly due to new borrowing for acquisition of office premises.
- vii) deferred income: decreased by 45.07% over the last period end, deferred income decreased mainly due to income recognized during the Reporting Period in respect of government subsidies for specified projects.

(3) Analysis of the equity attributable to owners of the parent

Item	31 December 2021	31 December 2020	RMB '0,000 Change (%)
Share capital	8,145.02	6,945.02	17.28
Capital surplus	125,921.29	57,685.87	118.29
Undistributed profits	174,834.84	123,912.86	41.09
Total equity attributable to shareholders of the parent company	314,024.57	193,025.24	62.69

Notes: The above financial data and indicators were extracted from data of the consolidated financial statements.

Analysis of major changes:

- i) share capital: increased by 17.28% over the last period end, mainly due to increasing in share capital as a result of the IPO during the Reporting Period.
- ii) capital surplus: increased by 118.29% over the last period end, mainly due to share premium arising from share issuance in IPO.
- iii) undistributed profits: increased by 41.09% over the last period end, mainly due to increasing in profit of the Company during the Reporting Period.

3. ANALYSIS OF THE OPERATING RESULTS

Item	2021	2020	RMB '0,000 Change (%)
Revenue	257,726.23	169,089.68	52.42
Cost of sales	105,892.35	91,378.33	15.88
Selling expenses	17,163.94	11,743.09	46.16
Administrative expenses	11,205.55	10,298.50	8.81
Finance expenses	-117.17	309.99	N/A
Research and development expenses	69,163.73	49,054.81	40.99

Item	RMB '0,000		
	2021	2020	Change (%)
Investment income	-271.36	-20.35	1,233.73
Asset impairment losses	-6,488.05	-669.05	869.73

*Notes:*The above financial data and indicators were extracted from data of the consolidated financial statements.

Analysis of major changes:

- i) revenue: increased by 52.42% over the last corresponding period, the significant increase in revenue was mainly due to strong demand from the downstream business, the Company's continuous application of resources in R& D and launches of new products.
- ii) cost of sales: increased by 15.88% over the last corresponding period, costs increased in relation to the increase in revenue.
- iii) selling expenses: increased by 46.16% over the last corresponding period, mainly due to increase in staff to cope with business expansion and adjustment in salary level that brought with increase in employee expenses; the exploration of new market resulted with increase in related expenses; and the base of expenses in last year was comparatively low as there were reduction and exemption in social insurance contributions to lessen the impact of epidemic in last year and outdoor activities of sales staff were kept to a minimal.
- iv) administrative expenses: increased by 8.81% over the last corresponding period, mainly due to increase in human resource personnel and adjustment in salary level in order to enhance corporate governance and management capabilities following the expansion of the Company and its listing on the Sci-Tech Board.
- v) finance expenses: fluctuated significantly over the last corresponding period, mainly due to interest income received from proceeds of fund raising with new issues.
- vi) research and development expenses: increased by 40.99% over the last corresponding period, mainly due to continuous investment of substantial resources in R& D especially in R& D of advanced process products during the reporting period. The related costs applied to IP, material, sub-contracting charges and staff salaries were increased; increase in amortisation of intangible assets; the base of staff salary was low as there were reduction and exemption in social insurance contributions in last year due to epidemic; the share-base payment increased due to implementation of share incentive scheme during the Reporting Period.
- vii) investment income: loss on investment increased by 1,233.73% over the last corresponding period, mainly due to loss of long term investments accounted for under the equity method.

- viii) asset impairment losses: increased by 869.73% over the last corresponding period, impairment losses of intangible assets increased mainly due to capitalization of R& D projects affected by tight IC supply chains and changes in market, future sales and profit were lower than expectation; inventory provision increased as certain inventories were slow-moving due to market change and as a result of overall increase in inventory level.

4. ANALYSIS OF CASH FLOWS

Item	2021	2020	RMB '0,000 Change (%)
Net cash flows from operating activities	60,220.49	21,965.27	174.16
Net cash flows from investing activities	-118,279.73	-20,732.94	470.49
Net cash flows from financing activities	71,880.57	-7.36	N/A

Notes: The above financial data and indicators were extracted from data of the consolidated financial statements.

Analysis of major changes:

- i) net cash flows from operating activities: increased by 174.16% over the last corresponding period, mainly due to increase in business revenue and the strengthen in recovery of trade receivables resulted with increase of trade debt receipts.
- ii) net cash flows from investing activities: increased by 174.16% over the last corresponding period, mainly due to expansion of the Company's business, increase in acquisition of related assets and cash management on the usage of idle funds.
- iii) net cash flows from financing activities: significant change over the last corresponding period, mainly due to fund raising activity of IPO.

By the board of Directors
Shanghai Fudan Microelectronics Group Company Limited
 18 March 2022

1. The Board proposed the election of the following Director candidates to be the Executive Directors of the Ninth Session of the Board:

Mr. Jiang Guoxing, aged 68, joined the Company in July 1998, is the Chairman of the Board and a member respectively of the Strategic and Investment Committee and the Environmental, Social and Governance Committee of the Company. Mr. Jiang graduated with a Master's degree in Computer Science from the Fudan University and is a professor grade senior engineer. He was the executive director of Hong Kong Huayu Technology Co. Ltd., from 1987 to 1993, the chief of the Office of Research-product Industrialization and University Enterprise Management of the Fudan University from 1995 to 2007. The vice chairman of Shanghai Fudan Forward Science and Technology Co., Limited from 2007 to 2017,

Pursuant to his service contract, Mr. Jiang is entitled to an annual director's salary of RMB300,000. The remuneration payable to Mr. Jiang is determined by the remuneration committee of the Company with reference to his contribution of time, effort and expertise on the Company's matters.

As at the Latest Practicable Date, Mr. Jiang had a beneficially owned interest of 8,810,000 A Shares and representing approximately 1.08% of the issued share capital of the Company.

Mr. Shi Lei, aged 55, joined the Company in July 1998, is the Managing Director and a member of the Strategic and Investment Committee of the Company. He was graduated with a Master's degree in Management from the Fudan University and is a professor grade senior engineer. Mr. Shi was the deputy manager in the Development Division of Shanghai Agricultural Investments Company from 1993 to 1997; the general manager of Shanghai Pacific Commercial Trust Company Limited from 1997 to 1998; the assistant to general manager, deputy general manager, general manager and chairman of Shanghai Commerce and Invest (Group) Corporation ("SCI") which is a substantial shareholders of the Company from 1997 to 2015.

Pursuant to his service contract, Mr. Shi is entitled to an annual director's salary of RMB3,050,000 with additional floating salary based on performance appraisal. The remuneration payable to Mr. Shi is determined by the remuneration committee of the Company with reference to his contribution of time, effort and expertise on the Company's matters.

As at the Latest Practicable Date, Mr. Shi had a beneficially owned interest of 8,810,000 A Shares and his spouse had an indirect interest in 300,000 A Shares, representing a total of approximately 1.12% of the issued share capital of the Company.

Mr. Yu Jun, aged 54, joined the Company in July 1998, is the Deputy Managing Director and a member of the Strategic and Investment Committee of the Company and also a director respectively of the Company's substantial shareholder, Shanghai Fuxin Fangao IC Technology Co. Ltd. (formerly known as "Shanghai Fudan High Company"), and the Company's subsidiary namely, Sino IC Technology Co., Ltd. ("Sino IC") and an associate namely Shanghai Fukong Hualong Micro-system Technology Co., Ltd. He graduated with a Bachelor's degree in Electronics Engineering and a Master's degree in Electronics and Information Systems from the Fudan University and is a senior engineer. Mr. Yu has held positions as the deputy director, senior engineer, deputy professor, tutor and assistant tutor of the Research Institute for Integrated Circuit Designs of the Fudan University since 1990.

APPENDIX 3 BIOGRAPHIES OF THE DIRECTOR CANDIDATES OF THE NINTH SESSION OF THE BOARD

Pursuant to his service contract, Mr. Yu is entitled to an annual director's salary of RMB2,696,800. The remuneration payable to Mr. Yu is determined by the remuneration committee of the Company with reference to his contribution of time, effort and expertise on the Company's matters.

As at the Latest Practicable Date, Mr. Yu had a beneficially owned interest of 1,400,000 A Shares and representing approximately 0.17% of the issued share capital of the Company.

Ms. Cheng Junxia, aged 75, joined the Company in July 1998, is a member of the Remuneration and Evaluation Committee, the Nomination Committee, the Environmental, Social and Governance Committee and the Strategic and Investment Committee of the Company, and is also a director of the Company's subsidiary namely, Shanghai Fudan Microelectronics (Hong Kong) Limited ("Fudan Hong Kong"). She graduated in 1969 from the Fudan University with a degree in Physics. She was a professor, tutor and assistant tutor of the Fudan University and a supervisor of its Research Institute for Integrated Circuit Designs from 1969 to 2006; the director and general manager of Shanghai Fudan High Tech Company from 1995 to 2015.

Pursuant to her service contract, Ms. Cheng is entitled to an annual salary of RMB1,308,200. The remuneration payable to Ms. Cheng is determined by the remuneration committee of the Company with reference to her contribution of time, effort and expertise on the Company's matters.

As at the Latest Practicable Date, Ms. Cheng had a beneficially owned interest of 700,000 A Shares and representing approximately 0.09% of the issued share capital of the Company.

If the resolutions were passed, the Company will enter into a director service contract with each of the Executive Director candidates for a term of 3 years commencing on 3 June 2022, thereafter unless terminated by a three months' prior written notice by either party and will be subject to retirement by rotation or re-election in accordance with the Articles of Association.

2. The Board proposed the election of the following Director candidates to be the Non-executive Directors of the Ninth Session of the Board:

Ms. Zhang Qianling, aged 85, joined the Company in July 1998. She is also the supervisor of Sino IC. She graduated from the Department of Physics of Fudan University and was a principal professor and tutor to doctorate students at Fudan University from 1960 to 2001. She was a promoter and first supervisor of the ASIC and System State Key Laboratory of the Fudan University and was a director of Shanghai Huahong Integrated Circuit Co. Ltd. from 1998 to 2006.

Mr. Wu Ping, aged 57, joined the Company in August 2019. He holds a Bachelor's degree from Shanghai Second Polytechnic University. He previously served as the executive director of Shanghai Fosun High Technology (Group) Co., Ltd. from 1995 to 2018; the director and general manager of SCI and the chairman of Shanghai Fudan Fukong Technology Industry Holdings Co., Ltd. ("Fudan Fukong") since 2018. He has been a director of Shanghai No.1 Pharmacy Co., Ltd., a company listed on the Shanghai Stock Exchange, since 12 December 2018.

Ms. Liu Huayan, aged 50, joined the Company in November 2021. She graduated from the Shanghai University in Finance and Economics as an undergraduate and holds a Master's degree in Management, and is also an economist. She had worked as an auditor in Jiangnam Certified Public Accountants operated by the Shanghai Jiangnan Shipyard; vice chief officer of the investment banking division and internal control committee member of investment banking management of Haitong Securities Co. Ltd.; as executive director of investment banking division, vice officer of internal control, quality control officer and vice chief officer of merger and acquisition division of BOCI International Securities Co. Ltd.; as executive director and internal control committee member of the investment banking division of J.P. Morgan First Capital Securities Co., Ltd.; as managing director and investment committee member of Shang Finance Corporation. She is currently the deputy general manager of SCI.

Mr. Sun Zheng, aged 47, joined the Company in November 2021. He holds a Bachelor's degree from the Shanghai University in Finance and Economics and a Master's degree in Business and Administration from the Fudan University, and is also an economist. He had worked for the subsidiaries of the SAIC Motor Group, namely SAIC Investment Co. as investment officer, SAIC Information Industry Investment Co. as assistant general manager, SAIC Motor Corporation Ltd. as assistant financial controller and SAIC Finance Ltd. as deputy manager in investment banking division; Shanghai Wenguang Multimedia Television Co. Ltd. as financial controller; Shanghai New Countryside Construction Co. Ltd. as assistant to general manager; Blockbuster Investment Management Co. Ltd. as deputy general manager; Shanghai First Financial Media Co. Ltd. as financial controller; Shanghai First Financial Investment Management Co. as executive director; Shanghai Wenguang Capital Management Co. Ltd. as legal representative and general manager. He is currently the deputy general manager of SCI.

Pursuant to their service contracts, they are not entitled to any director's remuneration.

If the resolutions were passed, the Company will enter into a director service contract with each of the Non-executive Director candidates for a term of 3 years commencing on 3 June 2022, thereafter unless terminated by a three months' prior written notice by either party and will be subject to retirement by rotation or re-election in accordance with the Articles of Association.

3. The Board proposed the election of the following Director candidates to be the Independent Non-executive Directors of the Ninth Session of the Board:

Mr. Cao Zhongyong, aged 63, joined the Company in June 2019 and is a member of the Environmental, Social and Governance Committee of the Company. He holds a Doctorate's degree in Economics from the Beijing Jiaotong University. He was a professor, Assistant Dean of International Economics and Management from 1992 to 1996 and a professor and deputy head of the Academic Technology Research Registry from 1997 to 1998 of the Shanghai Railways University; a visiting scholar in the John F. Kennedy School of Political of the Harvard University from 1997 to 1998; from 1998 to 2018, he had held positions as supervisor and deputy supervisor accreditation committee of qualifications for assigned directors and supervisors of state-owned enterprises of Shanghai, the supervisor of the Shanghai Executive Development Centre, supervisor of the Examination and Assessment Centre for Leader Cadres of Shanghai, and retired in 2018. He is currently a tutors to doctorate students of post-doctoral station of the

APPENDIX 3 BIOGRAPHIES OF THE DIRECTOR CANDIDATES OF THE NINTH SESSION OF THE BOARD

Shanghai Maritime University; executive director of the Shanghai European and American Alumni Association; chairman of the Alumni Association of the Harvard University and a consultant of Shanghai Transportation Development Research Center.

Mr. Cai Minyong, aged 65, joined the Company in June 2019 and is a member of the Audit Committee and the Strategic and Investment Committee, chairman of the Nomination Committee and Remuneration and Evaluation Committee of the Company. He graduated in Fudan University with a Bachelor's degree in Economics and Management. He was the Party Secretary and Factory Manager of the Shanghai Wuzhou Pharmaceutical Factory, and the Chairman of Shanghai Wuzhou Hesite Pharmaceutical Co., Ltd. from 1993 to 1996; chairman of the Shanghai Jiuzhou Property Development Co., Ltd. from 1994 to 1996; chairman of the Shanghai Pioneer Antibeer Pharmaceutical Co., Ltd. and the party secretary and general manager of the Shanghai Pioneer Pharmaceutical Company from 1995 to 1996; the deputy director of the management office of the Organization Department of the Shanghai Municipal from 1996 to 1998, the supervisor of the Shanghai High-tech Achievement Transformation Service Center from 1998 to 2003, the president of Shanghai Technology Property Exchange from 1999 to 2003, the Supervisor of the Shanghai Science and Technology Development and Exchange Center from 2001 to 2004, the party secretary and president of the Shanghai United Assets and Equity Exchange from 2004 to 2014, chairman of the Common Market of Proprietary Rights Trading in the Yangtze River Delta from 2005 to 2014, the arbitrator of China International Economic and Trade Arbitration Commission from 2005 to 2019, a member of the Financial and Economic Committee of the Shanghai Municipal People's Congress from 2013 to 2018 and a member of the Budget Working Committee of the Standing Committee of Shanghai Municipal People's Congress from 2018 to 2019. He is currently the chairman of the Shanghai Association of Senior Scientists and Technologists and vice supervisor of the Shanghai Care Next Generation Work Committee.

Mr. Wang Pin, aged 48, joined the Company in June 2019 and is the chairman of the Audit Committee of the Company. He graduated in Shanghai National Accounting Institute with an EMBA degree and is a registered accountant of the PRC. He was the assurance manager of Shanghai Gongxin Zhongnan Accounting Firm from 1996 to 2005; the financial controller of Shanghai Prime Machinery Company Ltd. from 2005 to 2016. He is currently the executive director of Shanghai Shenyin Enterprise management consultant Ltd.; a partner of Shanghai Luanhai Investment Management Ltd. and the executive director of Shanghai Luanhai Puyu Investment Management Ltd.

Ms. Zou Fuwen, aged 54, holds a Bachelor's degree in Economic Law of the Law School of the Jilin University and in Law of the East China University of Political Science and Law, and was a post-graduate in international trade of the Shanghai University of International Business and Economics as well as a registered lawyer in China. She was a lawyer of Shanghai Baoshan Law Firm and Shanghai Yinxin Law Firm; and was a supervisor of Shanghai Hao Kun Law Firm. She is currently a supervisor of Shanghai Parkway Law Firm.

In accordance with the current salary system, every Independent Non-executive Director is entitled to an annual salary of RMB200,000. The remuneration payable to Independent Non-executive Director is determined by the Remuneration and Evaluation Committee with reference to their contribution of time on the Company's matters, effort and skills.

If the resolutions were passed, the Company will enter into a director service contract with each of the Independent Non-executive Director candidates for a term of 3 years commencing on 3 June 2022, thereafter unless terminated by a three months' prior written notice by either party and will be subject to retirement by rotation or re-election in accordance with the Articles of Association.

The Company has received written annual confirmations from the four independent non-executive Directors of their independence according to Rule 3.13 under the Listing Rules. The Board recognised that all Independent Non-executive Director candidates have meet the requirements of independence under the provisions of Rule 3.13 of the Listing Rules.

Based on the Company's policy of diversity on the Board, the Nomination Committee has considered the various factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional skills and experience, knowledge and length of service, and performed review and assessment on the background, professional knowledge and experience on the Director candidates. The Nomination Committee is in the opinion that, as disclosed in the biographies further set out in Appendix 3 to this circular, they possess the basic knowledges in operating listing companies in the PRC and Hong Kong, possess the prerequisite professional knowledge and experience, management, skills and experience in law, economics, finance and other working experience, and are able to provide good advices on the Company's business and all Non-executive Directors (including Independent Non-executive Directors) can provide adequacy of time commitment to deal with the Company's affairs, and also the Company's policy of diversity on the Board can be achieved. Therefore, the election of the Director candidates is in the best interests of the Company and the Shareholders.

Unless otherwise disclosed in this circular, as at the Latest Practicable Date, the Director candidates do not hold any directorship in any listed public company in Hong Kong or overseas in the last three years, and have no relationship with any Directors, senior management, controlling shareholders or substantial shareholders of the Company. They had no personal interest in the Shares or any of the Company's associated corporations (within the meaning of Part XV of the SFO). There is no 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.

APPENDIX 4 BIOGRAPHIES OF THE SUPERVISOR CANDIDATES OF THE NINTH SESSION OF THE SUPERVISORY COMMITTEE

The Supervisory Committee proposed the election of the following Supervisor candidates to be the Supervisors of the Ninth Session of the Supervisory Committee:

Mr. Ren Junyan, aged 61. He received a Bachelor's degree in physics and a Master's degree in electronics engineering from the Fudan University, and is a member of The Institute of Electrical and Electronics Engineers ("IEEE"). Since 1986, Mr. Ren is a professor and tutor to doctorate students of the School of Microelectronics of the Fudan University. He was appointed in June 2019 and is a shareholders' representative supervisor of the Company.

Ms. Tang Xiaojie, aged 40. She graduated from the University of Ballarat in Australia as an undergraduate and holds a Master's degree in Commerce. She had worked for Shanghai Dali Food Additives Co. Ltd. as accounting staff; Shanghai Nile Environmental Protection Technology Ltd. as accounting staff; Industrial Bank Co. Ltd. as sales staff; HNA Group Co., Ltd. as internal audit; Shanghai Minqiang Investment (Group) Co. Ltd. as internal audit officer. Ms. Tang is currently the deputy general manager of SCI which is the Company's substantial shareholder. She was appointed in November 2021 and is a shareholders' representative supervisor of the Company.

If the resolutions were passed, the Company will enter into a supervisor service contract with each of the two supervisor candidates for a term of 3 years commencing on 3 June 2022, thereafter unless terminated by a three months' prior written notice by either party and will be subject to retirement by rotation or re-election in accordance with the Articles of Association. According to the service contract, Mr. Ren is entitled to an annual allowance of RMB200,000 (before tax). Ms. Tang will not be entitled to any allowance from the Company. The allowance payable to the Supervisor is determined by the Remuneration and Evaluation Committee with reference to their time contribution to the Company's affairs, job performance and skills.

Unless otherwise disclosed in this circular, as at the Latest Practicable Date, the two Supervisor candidates do not hold any directorship in any listed public company in Hong Kong or overseas in the last three years, and have no relationship with any Directors, senior management, controlling shareholders or substantial shareholders of the Company. They had no personal interest in the Shares or any of Company's associated corporations (within the meaning of Part XV of the SFO). There is no any other matters that need to be brought to the attention of the Shareholders nor is there any information regarding the above Supervisors required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



**FUDAN
MICRO**

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 International Conference Hall, 2/F., Fudan Science and Technology Park Building, 11 Guotai Road, Shanghai, the People’s Republic of China (the “PRC”) on Thursday, 2 June 2022 at 10:00 a.m. for the following purposes:–

ORDINARY RESOLUTION

1. To consider and approve the Work Report of the Directors of 2021;
2. To consider and approve the Work Report of the Supervisors of 2021;
3. To consider and approve the Final Account Report of 2021;
4. To consider and approve the Annual Report of 2021;
5. To consider and approve the Distribution Plan of 2021
6. To consider and approve the Re-appointment of Overseas and Domestic Auditor of 2022
7. To consider and approve the Remuneration of Directors And Supervisors of 2022
8. To consider and approve the Purchase of Liability Insurance for Directors, Supervisors and Senior Management
9. To consider and approve the election of Executive Directors for the Ninth Session of the Board:
 - 9.1 Mr. Jiang Guoxing as an executive Director;
 - 9.2 Mr. Shi Lei as an executive Director;
 - 9.3 Mr. Yu Jun as an executive Director; and

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- 9.4 Ms. Cheng Junxia as an executive Director.
10. To consider and approve the election of Non-executive Directors for the Ninth Session of the Board:
- 10.1 Ms. Zhang Qianling as a non-executive Director;
- 10.2 Mr. Wu Ping as a non-executive Director;
- 10.3 Ms. Liu Huayan as a non-executive Director; and
- 10.4 Mr. Sun Zheng as a non-executive Director.
11. To consider and approve the election of Independent Non-executive Directors for the Ninth Session of the Board:
- 11.1 Mr. Cao Zhongyong as an Independent Non-executive Director;
- 11.2 Mr. Cai Mingyong as an Independent Non-executive Director;
- 11.3 Mr. Wang Pin as an Independent Non-executive Director; and
- 11.4 Ms. Zou Fuwen as an Independent Non-executive Director.
12. To consider and approve the election of Supervisors for the Ninth Session of the Supervisory Committee
- 12.1 Mr. Ren Junyan as a Supervisor; and
- 12.2 Ms. Tang Xiaojie as a Supervisor.

SPECIAL RESOLUTION

13. To consider and approve the General Mandate to Issue additional A Shares and/or H Shares.

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

Shanghai, the PRC, 28 April 2022

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Persons who hold shares of the Company and whose names appear on the Register of Members of the Company as at 2 June 2022 shall be entitled to attend the AGM.
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. The instrument appointing a proxy must be in writing of a Shareholder or his attorney duly authorized in writing. If the Shareholder is a legal person, that instrument must be executed either under its seal or in writing by its director or other attorney duly authorized to sign the same. 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 principal place of business in the PRC at Building 4, Lane 127, Guotai Road, Shanghai, the PRC (for holders of Domestic Shares) or the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H Shares) as stipulated in the proxy form.
4. The Register of Members of H Shares of the Company will be closed from 27 May 2022 to 2 June 2022 (both dates inclusive) during which period no transfer of H Shares will be registered. To be qualified to attend the AGM, all transfers of H Shares accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H Shares) no later than 4:30 p.m. on 26 May 2022.
5. Shareholders or their proxies shall provide their identification documents when attending the AGM. If corporate Shareholders appoint authorized representative to attend the AGM, the authorized representative shall produce his/her identity documents and a notarially certified copy of the relevant authorization instrument signed by the board of directors or other authorized parties of the corporate Shareholders or other notarially certified documents allowed by the Company. Proxies shall produce their identity documents and the proxy form signed by the Shareholders or their attorney when attending the AGM.
6. 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.
7. Shareholders attending the AGM shall be responsible for their own travel and accommodation expenses.
8. Information containing further details regarding the proposed resolutions set out in the above notice as required by the Listing Rules are set out in appendix 1 to 4 of this circular.

* *For identification purpose only*