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

If you have sold or transferred all your shares in Hua Hong Semiconductor Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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HUA HONG SEMICONDUCTOR LIMITED

華虹半導體有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 1347)

**PROPOSED EXTENSION OF THE VALIDITY PERIOD OF
THE RESOLUTIONS ON THE RMB SHARE ISSUE AND THE
SPECIFIC MANDATE AND THE AUTHORISATION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening an extraordinary general meeting (the “EGM”) of Hua Hong Semiconductor Limited to be held on 26 June 2023 at 10:30 a.m., with a combination of a physical meeting at Kowloon Shangri-La Hong Kong, 64 Mody Road, Kowloon, Hong Kong and a virtual meeting online, is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.huahonggrace.com).

Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated URL (<https://spot-emeeting.tricor.hk>) using the username and password provided on the notification letter sent by the Company on 5 June 2023, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. In calculating the aforesaid 48 hours period, no account will be taken of any part of a day that is a public holiday. Accordingly, the form of proxy must be delivered not later than 10:30 a.m. on 23 June 2023. Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM if they so wish.

5 June 2023

DEFINITIONS

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

“Announcement”	the announcement dated 17 May 2023 made by the Company in relation to the proposed extension of the validity period of the resolutions on the RMB Share Issue and the Specific Mandate and the Authorisation;
“Articles”	the articles of association of the Company;
“Authorisation”	the authorisation to the Board and its authorized persons, including but not limited to the Chairman of the Company, to exercise full powers to deal with matters in relation to the RMB Share Issue, which was considered and approved by the Shareholders at the Previous EGM;
“Board”	the board of Directors of the Company;
“Company”	Hua Hong Semiconductor Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Hong Kong Stock Exchange;
“CSDC”	China Securities Depository and Clearing Corporation Limited;
“CSRC”	China Securities Regulatory Commission;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be held on 26 June 2023 at 10:30 a.m. to consider and, if thought fit, approve, among other things, the extension of the validity period of the resolutions on the RMB Share Issue and the Specific Mandate and the Authorisation, or any adjournment thereof;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

DEFINITIONS

“Hong Kong Share(s)”	the existing ordinary Share(s) which are listed on the Hong Kong Stock Exchange;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Latest Practicable Date”	29 May 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Over-allotment Option”	the over-allotment option which may be exercised by the Company and the lead underwriter(s) in respect of such number of RMB Shares not exceeding 15% of the number of RMB Shares to be issued initially under the RMB Share Issue;
“PRC”	the People’s Republic of China;
“Previous Circular”	the circular dated 7 June 2022 issued by the Company in respect of the Previous EGM;
“Previous EGM”	the extraordinary general meeting convened on 27 June 2022 by the Company;
“Regulatory Approvals”	the approvals or decisions from the relevant regulatory authorities and governmental departments in the PRC (including but not limited to the CSRC, the Hong Kong Stock Exchange, the Shanghai Stock Exchange and the CSDC);
“RMB”	Renminbi, the lawful currency of the PRC;
“RMB Share(s)”	the ordinary Share(s) to be subscribed for in RMB by target subscribers in the PRC, to be listed on the STAR Market and traded in RMB;
“RMB Share Issue”	the Company’s proposed issue of no more than 433,730,000 RMB Shares, which will be listed on the STAR Market;
“Shanghai Stock Exchange”	the Shanghai Stock Exchange;

DEFINITIONS

“Shanghai Stock Exchange STAR Market Listing Rules”	the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchange 《上海證券交易所科創板股票上市規則》 (as amended from time to time);
“Share(s)”	ordinary share(s) in the capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Specific Mandate”	a specific mandate sought from the Shareholders at the Previous EGM to allot and issue RMB Shares pursuant to the RMB Share Issue;
“STAR Market”	the Science and Technology Innovation Board of the Shanghai Stock Exchange;
“%”	per cent.

LETTER FROM THE BOARD



HUA HONG SEMICONDUCTOR LIMITED

華虹半導體有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 1347)

Executive Directors:

Suxin Zhang (*Chairman*)

Junjun Tang (*President*)

Non-executive Directors:

Guodong Sun

Jing Wang

Jun Ye

Independent Non-executive Directors:

Stephen Tso Tung Chang

Kwai Huen Wong, JP

Long Fei Ye

Registered Office:

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Bank of America Tower

12 Harcourt Road

Central

Hong Kong

Principal Place of Business in PRC:

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Shanghai, PRC

Postcode: 201203

No. 30, Xinzhou Road

Xinwu District

Wuxi, Jiangsu, PRC

Postcode: 214000

5 June 2023

To the Shareholders

Dear Sir/Madam,

**PROPOSED EXTENSION OF THE VALIDITY PERIOD OF
THE RESOLUTIONS ON THE RMB SHARE ISSUE AND THE
SPECIFIC MANDATE AND THE AUTHORISATION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

Reference is made to the Company's announcements dated 21 March 2022, 12 May 2022, 27 June 2022, 4 November 2022, 30 January 2023, 13 April 2023, 10 May 2023, 17 May 2023 and 28 May 2023, the Announcement and the Previous Circular in relation to, among others, the RMB Share Issue.

LETTER FROM THE BOARD

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the EGM for the extension of the validity period of the resolutions on the RMB Share Issue and the Specific Mandate and the Authorisation.

2. MATTERS TO BE RESOLVED AT THE EGM

(i) Resolution on the extension of the validity period of the resolution on the RMB Share Issue and the Specific Mandate

An ordinary resolution numbered 1 in the Previous Circular in relation to the RMB Share Issue and the Specific Mandate was considered and passed at the Previous EGM. Validity period of the resolution on the RMB Share Issue and the Specific Mandate is 12 months from the date of approval at the Previous EGM and thus the validity period will expire on 26 June 2023.

Given that the application for the RMB Share Issue is still in progress, an ordinary resolution will be proposed at the EGM to approve an extension of the validity period of the resolution on the RMB Share Issue and the Specific Mandate by 12 months to 26 June 2024.

Save for the extension of validity period, all other contents of the ordinary resolution numbered 1 in respect of the RMB Share Issue and the Specific Mandate as set out in the Previous Circular remain unchanged and valid. Such contents (with the exception of updated information relating to the extension of the validity period of the resolution on the RMB Share Issue and the Specific Mandate) are reproduced in Appendix I of this circular for the Shareholders' reference.

(ii) Resolution on the extension of the validity period of the resolution on the Authorisation

An ordinary resolution numbered 2 in the Previous Circular in relation to the Authorisation was considered and passed at the Previous EGM. Validity period of the resolution on the Authorisation is 12 months from the date of approval at the Previous EGM and thus the validity period will expire on 26 June 2023.

Given that the application for the RMB Share Issue is still in progress, an ordinary resolution will be proposed at the EGM to approve an extension of the validity period of the resolution on the Authorisation by 12 months to 26 June 2024.

Save for the extension of validity period, all other contents of the ordinary resolution numbered 2 in respect of the Authorisation as set out in the Previous Circular remain unchanged and valid. Such contents (with the exception of updated information relating to the extension of the resolution on the Authorisation) are reproduced in Appendix I of this circular for the Shareholders' reference.

LETTER FROM THE BOARD

3. PROGRESS OF THE RMB SHARE ISSUE

On 21 March 2022, the Board approved a preliminary proposal of the RMB Share Issue. On 12 May 2022, the Board further approved the RMB Share Issue, the Specific Mandate and other related matters. Resolutions in relation to the RMB Share Issue were considered and passed by the Shareholders at the Previous EGM.

On 4 November 2022, the Company received a notice of acceptance confirming acceptance of the Company's application materials in respect of the RMB Share Issue issued by the Shanghai Stock Exchange. As at the date of this circular, the meeting of the Listing Committee of the Shanghai Stock Exchange reviewing the Company's application was held and the RMB Share Issue under Specific Mandate has been approved by the Listing Committee of the Shanghai Stock Exchange. The Company has submitted an application for registration to the CSRC for its approval.

In addition to the approval of registration by the CSRC, the RMB Share Issue will also be subject to the following:

- (a) The CSRC may raise additional enquiries in relation to and/or impose additional requirements for the RMB Share Issue based on the latest market environment and policies. If this happens, the Company will have to provide supplemental information and/or comply with additional requirements before the RMB Share Issue may proceed.
- (b) After the approval by the CSRC, the Company will have to secure a sufficient number of subscriptions at the time of offering and complete the offering within a validity period (usually within 12 months after the approval by the CSRC).

The Company has been carrying out and will continue to carry out the plan for the RMB Share Issue. The Company will make further announcements on material updates and progress in relation to the RMB Share Issue as and when appropriate in accordance with the Hong Kong Listing Rules and applicable laws.

4. REASONS FOR AND BENEFITS OF THE RMB SHARE ISSUE AND PROPOSED EXTENSION OF THE VALIDITY PERIOD OF THE RESOLUTIONS ON THE RMB SHARE ISSUE AND THE SPECIFIC MANDATE AND THE AUTHORISATION

The Board considers that the RMB Share Issue will enable the Company to access the PRC capital market by way of equity financing and thus broaden the Company's fund-raising channels and shareholder base and improve the Company's capital structure. Also, the Board considers that the RMB Share Issue will be able to further strengthen the financial position of the Group and serve general corporate purposes and working capital needs of the Group, as well as to further enhance the Company's corporate profile, visibility and market presence in

LETTER FROM THE BOARD

the PRC market. Further, it is expected that the RMB Share Issue will enable the Company to enhance its production capacity and research and development capability which will then allow the Company to capture future growth opportunities and consolidate its position as a leading pure-play foundry in the PRC.

Therefore, the Board considers that the extension of the validity period of the resolutions on the RMB Share Issue and the Specific Mandate and the Authorisation is in line with the interests of the Company and the Shareholders as a whole, and is beneficial to strengthening the sustainable development of the Company.

5. OTHER INFORMATION

(i) Impact of the RMB Share Issue on the shareholding structure of the Company

For reference and illustration purposes only, assuming that the issue of all 433,730,000 RMB Shares is approved and carried out, the outstanding share options are not exercised, and all RMB Shares are issued to the public and there are no changes in the share capital of the Company after the Latest Practicable Date and prior to the completion of the RMB Share Issue, and to the best knowledge of the Directors after reasonable enquiry, the shareholding structure of the Company both as at the Latest Practicable Date and immediately after the completion of the RMB Share Issue is set out as follows:

	As at the Latest Practicable Date		Immediately after the completion of the RMB Share Issue (assuming the issue size is 433,730,000 RMB Shares)	
	<i>Number of Shares</i>	<i>Approximate percentage of the Company's issued share capital</i>	<i>Number of Shares</i>	<i>Approximate percentage of the Company's issued share capital</i>
RMB Shares to be issued under the proposed RMB Share Issue	–	–	433,730,000	24.90%
Hong Kong Shares	1,308,104,302	100.0%	1,308,104,302	75.10%
Held by core connected persons	715,272,722	54.68%	715,272,722	41.06%
– Shanghai Hua Hong International, Inc. ⁽¹⁾	347,605,650	26.57%	347,605,650	19.96%
– Shanghai Alliance Investment Limited ⁽²⁾	188,961,147	14.45%	188,961,147	10.85%

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	Immediately after the completion of the RMB Share Issue (assuming the issue size is 433,730,000 RMB Shares)			
As at the Latest Practicable Date	<i>Approximate percentage of the Company's Number of issued share Shares</i>		<i>Approximate percentage of the Company's Number of issued share Shares</i>	
<i>Number of Shares</i>	<i>issued share capital</i>	<i>Number of Shares</i>	<i>issued share capital</i>	
– Xinxin (Hong Kong) Capital Co., Limited ⁽¹⁾	178,705,925	13.66%	178,705,925	10.26%
Held by public	592,831,580	45.32%	592,831,580	34.03%
Total	1,308,104,302	100.00%	1,741,834,302	100.00%

Notes:

- (1) Shanghai Hua Hong International, Inc. and Xinxin (Hong Kong) Capital Co., Limited are direct shareholders of the Company.
- (2) Shanghai Alliance Investment Limited is an indirect shareholder of the Company, which holds interests in the Company through two wholly-owned subsidiaries, including Sino-Alliance International, Ltd..
- (3) The figures above have been subject to rounding adjustments.

As at the Latest Practicable Date, according to the information publicly available to the Company, the public held no less than approximately 45.32% of the Shares issued by the Company. Assuming that the issue of all the 433,730,000 RMB Shares under the RMB Share Issue is approved, and all RMB Shares are issued to persons who are not connected persons of the Company, the percentage of RMB Shares held by the public with respect to the total number of Shares after the RMB Share Issue is expected to be approximately 24.90%, the percentage of Hong Kong Shares held by the public with respect to the total number of Shares after the RMB Share Issue is expected to be approximately 34.03%, and the percentage of Shares (both RMB Shares and Hong Kong Shares in aggregate) held by the public with respect to the total number of Shares after the RMB Share Issue is expected to be approximately 58.93%.

As at the Latest Practicable Date, the Company had not entered or proposed to enter into any agreement in relation to subscription of RMB Shares with any connected persons of the Company.

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6. EGM AND PROXY ARRANGEMENT

The notice of the EGM is set out on pages EGM-1 to EGM-2 of this circular.

For the purpose of ascertaining the Shareholders' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from 20 to 26 June 2023, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of Shares should ensure all share transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 19 June 2023.

Pursuant to the Hong Kong Listing Rules and the Company's Articles, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll vote results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Hong Kong Listing Rules.

The Company will conduct a hybrid extraordinary general meeting with the combination of a physical meeting and a virtual meeting online. Shareholders will have the option of joining the EGM either (a) through the physical meeting at Kowloon Shangri-La Hong Kong, 64 Mody Road, Kowloon, Hong Kong; or (b) through the Internet by using their computer, tablet device or smartphone. Registered Shareholders will be able to attend the EGM, vote and submit questions online. Non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited may also be able to attend the EGM, vote and submit questions online. In this regard, you should consult directly with your banks, brokers, custodians, nominees or HKSCC Nominees Limited through which your shares are held (as the case may be) (collectively the "**Intermediary**") and instruct the Intermediary to appoint you as proxy or corporate representative to attend and vote at the EGM electronically and in doing so, you will be asked to provide your email address, before the time limit required by the relevant Intermediary. Details regarding the e-Meeting System including the login details will be emailed to you by the Company's Share Registrar, Tricor Investor Services Limited.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.huahonggrace.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated URL (<https://spot-emeeting.tricor.hk>) using the username and password provided on the notification letter sent by the Company on 5 June 2023, as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. In calculating the aforesaid 48 hours period, no account will be taken of any part of a day that is

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a public holiday. Accordingly, the form of proxy must be delivered not later than 10:30 a.m. on 23 June 2023. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM if you so wish.

7. RECOMMENDATION

The Directors are of the opinion that the resolutions mentioned above are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders should vote in favour of such resolutions to be proposed at the EGM.

8. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, 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.

Yours faithfully,
For and on behalf of the Board
Hua Hong Semiconductor Limited
Mr. Suxin Zhang
Chairman and Executive Director

Details of the RMB Share Issue and updated information relating to the extension of the validity period of the Specific Mandate and the Authorisation are set out as follows:

- (a) Class of RMB Shares Ordinary shares to be subscribed for in RMB by the target subscribers (as stated below), to be listed on the STAR Market and traded in RMB, forming the same class of ordinary shares as the Hong Kong Shares.

The RMB Shares do not have a par value pursuant to section 135 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong).

- (b) Number of RMB Shares to be issued

The Company proposes to issue not more than 433,730,000 RMB Shares, representing approximately 33.16% of the share capital of the Company as at the Latest Practicable Date and not more than 25% of the enlarged share capital of the Company upon completion of the RMB Share Issue (including RMB Shares to be issued pursuant to the exercise of the Over-allotment Option based on negotiations between the Company and the lead underwriters). The RMB Share Issue only involves issue of new Shares.

The final number of RMB Shares to be issued and matters in relation to the Over-allotment Option will be determined according to market conditions and communications with relevant regulatory authorities.

- (c) Target subscribers

Target subscribers of the RMB Share Issue are qualified offline investors and natural persons, legal persons and other institutional investors who maintain accounts with the Shanghai Stock Exchange (except for those prohibited by laws, regulations, and regulatory documents in the PRC from subscribing) or other target subscribers who comply with the relevant eligibility requirements of the CSRC and the Shanghai Stock Exchange.

In the event that any of the aforementioned target subscribers of the RMB Share Issue are connected persons of the Company, the Company will take all reasonable measures to comply with the requirements of relevant regulatory authorities, including but not limited to Chapter 14A of the Hong Kong Listing Rules.

- (d) Method of issuance The Company will adopt a combination of offline placement and online subscriptions, or such other methods of issuance as approved by relevant securities regulatory authorities in the PRC.
- (e) Method of pricing The price for the RMB Shares will be determined by the Board and the lead underwriters, with reference to the domestic and overseas capital market conditions at the time of the RMB Share Issue, the actual circumstances of the Company and the interests of the Shareholders as a whole, by (i) ascertaining the price range via promotion to potential investors and preliminary price enquiries and (ii) determining the issue price in accordance with relevant laws, regulations and requirements of the relevant securities regulatory authorities in the PRC.

Pricing procedures shall be based on strict market and regulatory procedures and requirements, including but not limited to the following:

1. Before publication of the preliminary pricing enquiry announcement, relevant documents including the announcement itself, the issuance plan, investment valuation report and strategic placement plan shall be submitted to the Shanghai Stock Exchange;
2. The difference between the maximum and minimum initial subscription prices of the offline investors shall not exceed 20% of the minimum price;
3. The difference between the upper end and the lower end of the issue price range shall be determined by the Company and the lead underwriters after excluding a portion of the highest quotations and shall not exceed 20% of the lower end of the issue price range;
4. If the issue price after the initial enquiry is not within the valuation range of the investment valuation report, the Company and the lead underwriters shall explain the reasons to the Shanghai Stock Exchange and notify the Securities Association of China; and

5. The Company and the lead underwriters shall determine the issue price with prudence by methods of accumulative bidding enquiry or classified placement.

Apart from the requirements on the issuer and lead underwriters in relation to the determination of the range of preliminary price enquiry and the final issue price, there is no prescribed requirement on the minimum issue price pursuant to applicable laws and regulations.

The RMB Share Issue and the listing of the RMB Shares on the STAR Market constitute important milestones of the Company in its pursuit of a new financing platform and continuous enhancement of value in the capital market and are in line with the Company's sustainable development. Further, a fair issue price set in compliance with the relevant procedures and requirements is vital to and expected to be beneficial for the Company's use of proceeds on its projects, satisfaction of its long-term capital needs and enhancement of value. As such, the Company will ensure that the issue price is in the interests of the Company and the Shareholders as a whole by duly complying with the relevant rules and regulations governing the pricing procedures.

- (f) Strategic placement Based on needs of business cooperation and the scale of financing, the Company may implement strategic placement and place a part of the RMB Shares to relevant investors who meet the requirements of laws and regulations. In the event that the senior management of the Company establishes a specific asset management plan to participate in the strategic placement of the RMB Share Issue, the number of RMB Shares allotted to them shall not exceed 10% of the number of RMB Shares issued in the RMB Share Issue, and the senior management shall undertake to hold the RMB Shares allotted to them for a period of not less than 12 months, as agreed in the strategic placement agreement(s) to be executed by the parties.
- (g) Joint sponsors and lead underwriters Guotai Junan Securities Co., Ltd. and Haitong Securities Co., Ltd.

- (h) Method of underwriting The method of underwriting for the RMB Share Issue will be in the form of standby underwriting by the lead underwriters.
- (i) Use of proceeds The proceeds raised from the RMB Share Issue after deducting the issuance expenses are proposed to be used for the “Hua Hong Manufacturing (Wuxi) Project”, the “the 8-Inch Factory Optimisation and Upgrading Project”, the “Specialty Technological Innovation and Research and Development Project” and replenishment of working capital.
- If the net proceeds actually raised from the RMB Share Issue exceed the capital requirements of the relevant projects, the surplus amount will be used in the Company’s principal business after performing necessary procedures in accordance with relevant regulations. If the net proceeds actually raised from the RMB Share Issue are less than the capital requirements of the relevant projects, the shortfall shall be covered by the Company with its own funds.
- Before the proceeds to be raised from the RMB Share Issue are in place, the Company may make initial investments with its own funds according to the progress of the projects. After the proceeds are in place, the Company will first reimburse the initial investment funds and use the remaining proceeds to pay the outstanding investment amount of the projects.
- (j) Distribution plan of accumulated profits before the RMB Share Issue The undistributed profits accumulated before the RMB Share Issue will be shared by existing and new Shareholders on a pro rata basis and in proportion to shareholding percentages after the RMB Share Issue.
- (k) Place and board of listing of RMB Shares The RMB Shares will be listed on the STAR Market of the Shanghai Stock Exchange.
- (l) Share registers The RMB Shares will be registered on a separate register of members maintained in the PRC and managed by the CSDC. The RMB Shares will not be registered on the existing register of members of the Company maintained in Hong Kong (the “**Hong Kong Share Register**”).

Tricor Investor Services Limited will continue to serve as the Hong Kong share registrar for the Hong Kong Shares traded on the Hong Kong Stock Exchange.

Due to current restrictions under laws, rules and regulations in the PRC, including but not limited to the Opinions on the Pilot Programmes of Innovative Enterprises Issuing Stocks or Depositary Receipts in the Mainland of China (《關於開展創新企業境內發行股票或存託憑證試點若干意見》), the Implementing Measures of the Shanghai Stock Exchange for the Listing and Trading of Pilot Innovative Enterprises' Stocks or Depositary Receipts (《上海證券交易所試點創新企業股票或存託憑證上市交易實施辦法》), the stocks issued by innovative enterprises in the PRC shall be registered, deposited and settled by the CSDC, such that the RMB Shares to be issued by the Company under the proposed RMB Share Issue shall be registered on the PRC Share Register managed by the CSDC and no movement of Shares will be allowed between the Hong Kong Share Register and the PRC Share Register.

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|--|---|
| (m) RMB Shares cannot be moved outside of the PRC or to the Hong Kong Share Register | The RMB Shares are subscribed and traded in RMB and issued to investors in the PRC solely for trading on the Shanghai Stock Exchange. The RMB Shares will not be able to be moved outside of the PRC for trading in Hong Kong or to the Hong Kong Share Register. |
| (n) Non-fungibility between the RMB Shares and the Hong Kong Shares | The RMB Shares and the Hong Kong Shares will not be fungible. |
| (o) Valid period of the resolution | The resolution on the RMB Share Issue is valid for 12 months from the date of approval at the Previous EGM (i.e. 27 June 2022). |

Given that the validity period will expire on 26 June 2023, it is proposed that the validity period to be extended by 12 months to 26 June 2024.

The issue of the RMB Shares pursuant to the RMB Share Issue is conditional upon: (1) the grant of the proposed Specific Mandate by the Shareholders to the Board having been obtained at the EGM; and (2) the necessary Regulatory Approvals for the RMB Share Issue having been obtained.

The Board may or may not proceed with the RMB Share Issue, depending on a number of factors, such as market conditions. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

After the RMB Share Issue, subject to the Articles and exemptions from competent authorities, the Company will need to comply with applicable laws, rules and regulations of the PRC including but not limited to the Securities Law of the People's Republic of China (《中華人民共和國證券法》), the Measures for the Administration of the Registration of IPO Stocks on the Science and Technology Innovation Board (for Trial Implementation) (《科創板首次公開發行股票註冊管理辦法(試行)》), the Shanghai Stock Exchange STAR Market Listing Rules, the Measures on Ongoing Supervision over the Innovative Enterprises after Issuance of Shares or Depository Receipts (Trial Implementation) (《創新企業境內發行股票或存託憑證上市後持續監管實施辦法(試行)》), the Opinions on the Pilot Programmes of Innovative Enterprises Issuing Stocks or Depository Receipts in the Mainland of China (《關於開展創新企業境內發行股票或存託憑證試點若干意見》) and other applicable regulations of the PRC. The Company's PRC legal adviser and Hong Kong legal adviser are of the opinion that the RMB Share Issue would not contravene relevant laws, rules and regulations of the PRC (including Hong Kong), respectively.

The proposed scope of authorisation to the Board and its authorised persons, including but not limited to the Chairman of the Company, to exercise full powers to deal with all matters relating to the RMB Share Issue, includes without limitation:

- (1) within the scope of the RMB Share Issue to be considered and approved at the EGM, in accordance with the PRC laws and regulations and relevant rules of the securities regulatory authorities and the Shanghai Stock Exchange, to exercise full powers in respect of adjustments and implementation of the RMB Share Issue and to confirm the specific matters in relation to the RMB Share Issue on the basis of negotiations with the sponsors (lead underwriters), including but not limited to the determination of the time of issuance, issue size, target subscribers, methods of issuance, methods of pricing, the offer price (including the offer price range and the final offer price), place of listing, specific plan for the exercise of the Over-allotment Option, details of strategic placements including size, proportions and placees, and other matters relevant to the RMB Share Issue; approve the payment of necessary listing expenses; approve the estimate of listing expenses; publish announcements, circulars and disclosure documents relevant to the RMB Share Issue;

- (2) to handle the matters in relation to the application for the RMB Share Issue, including but not limited to handling procedures including application, approval, registration or filing with, or obtaining approvals or consents from the relevant governmental departments, regulatory authorities, stock exchanges and clearing houses; to draft, modify, approve, execute, submit, publish, implement, revise or complete any applications, reports, statements, undertakings, confirmations, agreements, contracts, announcements, circulars or other necessary documents related to the RMB Share Issue (including but not limited to letters of intent, the prospectus, other application documents, sponsorship agreements, underwriting agreements, listing agreements, strategic investment agreements, placing agreements, relevant announcements, notices to Shareholders, connected/affiliated transactions agreements and service agreements with intermediaries), and to take all other actions as necessary, proper or appropriate in respect of the RMB Share Issue and the commencement of investment projects to which proceeds are applied in accordance with the opinions of the relevant government authorities or actual circumstances for the purpose of completing the RMB Share Issue; to make corresponding adjustments to matters relating to the specific plan for the RMB Share Issue (including adjustments of the use of proceeds as appropriate and suspension and termination of the implementation of the issuance plan), save for matters required to be voted again in a general meeting pursuant to the requirements of relevant laws, regulations, regulatory documents and the Articles;
- (3) based on the actual circumstances of the RMB Share Issue, market conditions, adjustments of policies and opinions of regulatory authorities, under the premise of compliance with the relevant regulations and procedures, to make adjustments to the specific terms of the RMB Share Issue and details including investment projects to which proceeds are applied and use of proceeds and the proportion thereof, including specific uses of proceeds to be raised from the exercise of the Over-allotment Option; to ascertain matters including the progress of the investment projects to which proceeds are applied and the adjustments of the proportions; to approve and execute the material contracts during the course of operation of the investment projects to which proceeds are applied;
- (4) to make the relevant undertakings, statements and confirmations in accordance with the PRC laws and regulations and the relevant rules of the securities regulatory authorities and actual needs of the RMB Share Issue;
- (5) to modify the relevant documents including policies, undertakings, reports and plans considered and approved by the Board, in accordance with the PRC laws and regulations and the relevant rules of the securities regulatory authorities and actual needs of the RMB Share Issue;
- (6) to establish and determine the designated account for the deposit of proceeds to be raised before the RMB Share Issue as required and execute relevant documents;

- (7) to adjust and modify the Articles, policies governing the procedures of meetings, and other corporate governance documents, relevant measures and undertakings as well as other application documents (including without limitation adjustments and modifications to expressions, sections, provisions and conditions of effect therein) that are amended or formulated for the purpose of the RMB Share Issue and have been considered and approved at the relevant Board meeting and the EGM, in accordance with the changes in the relevant laws, regulations and policies, the requirements and suggestions from the relevant government authorities and regulatory authorities, and the actual circumstances of the RMB Share Issue;
- (8) to deal with share registration, settlement and other related procedures in accordance with the actual circumstances of the RMB Share Issue and applicable laws and regulations;
- (9) to engage and appoint relevant intermediaries for the RMB Share Issue, determine their service fees and execute the engagement agreements;
- (10) to make corresponding adjustments to the RMB Share Issue and related matters pursuant to any new regulations or policies in relation to RMB-share issuance of red-chip companies promulgated by relevant securities regulatory authorities;
- (11) subsequent to the completion of the RMB Share Issue, to handle specific matters in relation to the RMB Share Issue and the listing on the STAR Market, including but not limited to making information disclosure in accordance with the laws and regulations relevant to listing and the rules of the Shanghai Stock Exchange; and
- (12) to authorise the Board and its authorised persons to deal with other matters that are considered necessary, proper or appropriate to the RMB Share Issue by the Board and its authorised persons but not specified above, provided that such matters are not in contravention of applicable domestic and overseas laws and regulations.

The Authorisation is valid for 12 months from the date of approval at the Previous EGM (i.e. 27 June 2022). Given that the validity period will expire on 26 June 2023, it is proposed that the validity period to be extended by 12 months to 26 June 2024.

NOTICE OF EXTRAORDINARY GENERAL MEETING



HUA HONG SEMICONDUCTOR LIMITED

華虹半導體有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 1347)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting of Hua Hong Semiconductor Limited (the “**Company**”) will be held on 26 June 2023 at 10:30 a.m., with the combination of a physical meeting at Kowloon Shangri-La Hong Kong, 64 Mody Road, Kowloon, Hong Kong and a virtual meeting online, for the purpose of considering and, if thought fit, passing, with or without modification, the following resolutions. Unless otherwise indicated, capitalised terms used herein shall have the same meanings as ascribed to them in the circular dated 5 June 2023 issued by the Company (the “**Circular**”).

ORDINARY RESOLUTIONS

1. To consider and approve the extension of the validity period of the resolution on the RMB Share Issue and the Specific Mandate (details of which as described in the resolution numbered 1 in the notice of the Previous EGM) by 12 months to 26 June 2024 (including but not limited to the particulars as set out in the section headed “Resolution on the extension of the validity period of the resolution on the RMB Share Issue and the Specific Mandate” in the Circular); and
2. To consider and approve the extension of the validity period of the resolution on the Authorisation (details of which as described in the resolution numbered 2 in the notice of the Previous EGM) by 12 months to 26 June 2024 (including but not limited to the particulars as set out in the section headed “Resolution on the extension of the validity period of the resolution on the Authorisation” in the Circular).

By Order of the Board
Hua Hong Semiconductor Limited
Mr. Suxin Zhang
Chairman and Executive Director

Shanghai, PRC, 5 June 2023

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. The Company will conduct a hybrid Extraordinary General Meeting with the combination of a physical meeting and a virtual meeting online. Shareholders will have the option of joining the Extraordinary General Meeting either (a) through the physical meeting at Kowloon Shangri-La Hong Kong, 64 Mody Road, Kowloon, Hong Kong; or (b) through the Internet by using their computer, tablet device or smartphone. Registered Shareholders will be able to attend the Extraordinary General Meeting, vote and submit questions online. Each registered Shareholder's personalized login and access code will be sent to him or her under separate letter.

Non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited may also be able to attend the Extraordinary General Meeting, vote and submit questions online. In this regard, you should consult directly with your banks, brokers, custodians, nominees or HKSCC Nominees Limited through which your shares are held (as the case may be) (collectively the “**Intermediary**”) and instruct the Intermediary to appoint you as proxy or corporate representative to attend and vote at the EGM electronically and in doing so, you will be asked to provide your email address, before the time limit required by the relevant Intermediary. Details regarding the e-Meeting System including the login details will be emailed to you by the Company's Share Registrar, Tricor Investor Services Limited.

2. All resolutions at the meeting will be taken by poll (except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Hong Kong Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Hong Kong Listing Rules.
3. Any Shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a Shareholder of the Company. If more than one proxy is appointed, the number of Shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy.
4. In order to be valid, the 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 or authority, must be deposited at the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated URL (<https://spot-meeting.tricor.hk>) using the username and password provided on the notification letter sent by the Company on 5 June 2023, not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. In calculating the aforesaid 48 hours period, no account will be taken of any part of a day that is a public holiday. Accordingly, the form of proxy must be delivered not later than 10:30 a.m. on 23 June 2023. Delivery of the form of proxy shall not preclude a Shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Registered Shareholders are requested to provide a valid email address of his or her proxy (except appointment of “The Chairman of the Meeting”) for the proxy to receive the login and access code to participate online to the e-Meeting System.
6. For determining the entitlement to attend and vote at the above meeting, the register of members of the Company will be closed from 20 June 2023 to 26 June 2023, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the Extraordinary General Meeting, unregistered holders of Shares of the Company shall ensure that all transfer documents accompanied by the relevant Share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 19 June 2023.
7. Since the Company will conduct a hybrid extraordinary general meeting with the combination of a physical meeting and a virtual meeting online, certain Director(s) may attend the EGM through telephone/video conference or similar electronic means.
8. A circular containing further details concerning paragraphs 1 to 2 in this notice will be sent to all Shareholders of the Company.