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上海復旦微電子集團股份有限公司

Shanghai Fudan Microelectronics Group Company Limited\*

*(a joint stock limited company incorporated in the People's Republic of China)*

(Stock Code: 1385)

## 2024 FIRST QUARTERLY REPORT

The board of directors (the “Board”) of Shanghai Fudan Microelectronics Group Company Limited (the “Company”) is pleased to announce the first quarterly unaudited consolidated results of the Company and its subsidiaries (the “Group”) prepared in accordance with China Accounting Standards for Business Enterprises for the three months ended 31 March 2024. This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

### IMPORTANT NOTICE:

The Board, the supervisory committee, the directors (the “Directors”), supervisors and the senior management of the Company warrant the truthfulness, accuracy and completeness of the contents of this quarterly report and accept responsibility severally and jointly for any false statement, misleading representation herein or material omission herefrom.

The legal representative, principal in charge of accounting and head of accounting department (Accounting Chief) of the Company warrant the truthfulness, accuracy and completeness of the financial information of this quarterly report.

The first quarterly financial statements were unaudited or not

Yes     No

## 1. PRINCIPAL ACCOUNTING DATA

### (1) Principal accounting data and key financial indicators

RMB0'000

Item	Reporting Period	Change as compared with the corresponding period of last year (%)
Revenue	89,274.39	10.30
Net profits attributable to shareholders of the parent company	16,124.68	-14.35
Net profit attributable to shareholders of the parent company after deducting non-recurring gains and losses	15,499.01	-13.93
Net cash flows from operating activities	1,058.06	N/A
Basic earnings per share (RMB/share)	0.20	-13.04
Diluted earnings per share (RMB/share)	0.20	-13.04
Weighted average return on net asset (%)	2.99	Decreased by 1.07 percentage point
Total research and development investment	28,820.46	0.46
Percentage of research and development investment in revenue (%)	32.28	Decreased by 3.17 percentage point

	As at the end of the Reporting Period	As at the end of last year	Change as compared with last year (%)
Total assets	849,593.38	841,135.09	1.01
Total equity attributable to shareholders of the parent company	547,916.09	530,297.62	3.32

Note: "Reporting Period" means and hereinafter referred to the 3-month period from the beginning to the end of the current quarter.

For the Reporting Period, the revenue of the Group was approximately RMB893 million which representing an increase of approximately 10.30% over the same period of last year. The net profits attributable to shareholders of the parent company was approximately RMB161 million which representing a decrease of approximately 14.35% over the same period of last year. The net profits attributable to shareholders of the parent company after deducting non-recurring gains and losses was approximately RMB155 million which representing a decrease of approximately 13.93% over the same period of last year.

The revenue during the Reporting Period of each product line was: approximately RMB201 million for security and identification chips which representing a decrease of approximately 3.37% over the same period of last year; approximately RMB292 million for non-volatile memory which representing an increase of approximately 5.42% over the same period of last year; approximately RMB92 million for smart meter chips which representing an increase of approximately 95.74% over the same period of last year; approximately RMB281 million for FPGA and other products which representing an increase of approximately 23.25% over the same period of last year; and approximately RMB26 million for testing services (after consolidation offset) which representing a decrease of approximately 48.00% over the same period of last year. Comprehensive gross profit margin during the Reporting Period decreased from 66.77% to 56.65% when compared with the same period of last year, but improved by 6.98 percentage points from the fourth quarter of 2023.

The reasons for the changes in the above principal accounting data and key financial indicators are as follows:

A. The impact of revenue and gross profit on net profit

From January to March 2024, some of the Company's products applied in the consumer electronics and power electronics industries were affected by the stabilisation and rebound of demand from downstream customers, and product line revenues turned from decline to growth when compared with the same period of the previous year. The Company's FPGAs and certain non-volatile memory devices applied in high-reliability scenarios benefited from advanced and reliable technologies, continued expansion of application areas and steady growth in demand from major customers, resulting in stable growth in revenue, which led to growth in the Company's overall revenue as compared to the same period of the last year. As a result of the decrease in the prices of certain products when compared with last year, the comprehensive gross profit margin of products decreased by 10.12 percentage points when compared with the same period of last year.

B. The impact of expenses on net profit

Increase in research and development costs. From January to March 2024, the Company continued to maintain a strong investment in research and development, ongoing technology iteration and new product development. At the same time, the Company continued to enrich product range to meet more application areas and strengthen product development based on diversified supply-side processes. Research and development expenses amounted to approximately RMB245,299,900, representing an increase of approximately RMB25,955,200 when compared with the same period of last year, which was mainly due to the increase in staff remuneration, depreciation and amortisation in research and development expenses.

**(2) Non-recurring gains and losses items and amounts**

RMB

<b>Item</b>	<b>Amount of the Reporting Period</b>
Gains or losses from disposal of non-current assets	616.57
Government subsidies incorporated into the current profit or loss (other than those Government subsidies that are closely related to the Company's normal business operations, in line with national policies, in accordance with established standards, and those that have a continuing impact on the Company's profit or loss)	10,353,679.18
Except for the effective hedging activities related to the Group's ordinary operation, profit or loss arising fair value changes arising from financial assets and financial liabilities held by non-financial corporations and gains and losses arising from the disposal of financial assets and financial liabilities	739,857.00
Non-operating income and expenses other than those mentioned above	0.92
Less : Income tax effect	1,456,779.66
Minority interest effect (after tax)	3,380,724.41
<b>Total</b>	<b>6,256,649.60</b>

If a non-recurring gains or losses item that is not listed in 'Interpretative Announcement for Information Disclosure of Companies Issuing Public Securities No. 1 - Non-Recurring gains or losses' is recognised as a non-recurring gains or losses item and the amount is material, and if a non-recurring gains or losses item listed in 'Interpretative Announcement for Information Disclosure of Companies Issuing Public Securities No. 1 - Non-Recurring gains or losses' is defined as recurring gains or losses, the reasons should be explained.

Applicable  Not applicable

**(3) Changes and the reasons of changes in principal accounting data and key financial indicators**

Applicable  Not applicable

## 2. SHAREHOLDERS INFORMATION

The table below sets out the total number of ordinary shareholders, the number of preference shareholders whose voting rights have been restored, and the shareholding status of the top ten shareholders.

Total number of ordinary shareholders at the end of the Reporting Period	27,057	Total number of preference shareholders whose voting rights have been restored at the end of the Reporting Period (if any)	Share N/A
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Top ten shareholders							
Name of shareholders	Nature of shareholders	Number of shares held	% held	Number of shares held with selling restriction	Number of restricted shares including refinancing or lending shares	Status on charges, pledges or frozen	
						Status of shares	Number
HKSCC Nominees Limited (Note 2)	Foreign entity	284,196,830	34.70			Unknown	
Shanghai Fudan Fukong Technology Enterprise Holdings Limited	State-owned entity	109,620,000	13.38	109,620,000	109,620,000	Nil	
Shanghai Fuxin Fangao IC Technology Co. Ltd.	State-owned entity	106,730,000	13.03	106,730,000	106,730,000	Nil	
Shanghai Zhengben Corporate Management Consultant Partnership Enterprise (limited partnership)	Domestic non-state-owned legal person	39,182,011	4.78			Pledged	39,182,011
China Merchants Bank – China AMC SSE 50 Constituent Traded Open-ended Index Investment Fund	Other	19,346,474	2.36			Nil	
Shanghai Zhenghua Corporate Management Consultant Partnership Enterprise (limited partnership)	Domestic non-state-owned legal person	12,807,811	1.56			Nil	
Industrial and Commercial Bank of China - E-Fonda SSE 50 Constituent Traded Open-ended Index Investment Fund	Other	9,440,135	1.15			Nil	
Shi Lei	Domestic natural person	7,210,000	0.88			Nil	
Jiang Guoxing	Domestic natural person	7,210,000	0.88			Nil	
CITIC Capital Investment Limited	State-owned entity	6,000,000	0.73			Nil	

<b>Shareholdings of the top 10 shareholders which not subject to selling restrictions</b>			
<b>Name of shareholders</b>	<b>Number of shares in circulation without any selling restrictions</b>	<b>Type and number of shares</b>	
		<b>Type</b>	<b>Number</b>
HKSCC Nominees Limited	284,196,830	Overseas listed foreign invested shares	284,196,830
Shanghai Zhengben Corporate Management Consultant Partnership Enterprise (limited partnership)	39,182,011	RMB ordinary shares	39,182,011
China Merchants Bank – China AMC SSE 50 Constituent Traded Open-ended Index Investment Fund	19,346,474	RMB ordinary shares	19,346,474
Shanghai Zhonghua Corporate Management Consultant Partnership Enterprise (limited partnership)	12,807,811	RMB ordinary shares	12,807,811
Industrial and Commercial Bank of China - E-Fonda SSE 50 Constituent Traded Open-ended Index Investment Fund	9,440,135	RMB ordinary shares	9,440,135
Shi Lei	7,210,000	RMB ordinary shares	7,210,000
Jiang Guoxing	7,210,000	RMB ordinary shares	7,210,000
CITIC Capital Investment Limited	6,000,000	RMB ordinary shares	6,000,000
Wu Yu Hing	5,994,975	RMB ordinary shares	5,994,975
HKSCC Limited	5,143,519	RMB ordinary shares	5,143,519
Details relating to the related relationship of the above shareholders or the parties acting in concert	<ol style="list-style-type: none"> <li>Shanghai Zhengben Corporate Management Consultant Partnership Enterprise (limited partnership) and Shanghai Nianjin Corporate Management Consultant Partnership Enterprise (limited partnership) are parties acting in concert.</li> <li>The Company is not aware whether other shareholders have related party relationship or acting-in-concert arrangements.</li> </ol>		
Description of the top 10 shareholders and the top 10 unrestricted shareholders participating in margin trading and securities lending and refinancing business (if any)	Shares held by shareholder Wu Yu Hing through investor credit account: 5,994,974 shares		

Note1: As at the end of the Reporting Period, the total number of A Share shareholders is 27,043 and H Share shareholders is 14.

Note2: Shares held by HKSCC Nominees Limited are held on behalf of its clients. As 11,000 H shares held by individual shareholder(s) were in transit and have not registered for transfer, the number of shares held by HKSCC Nominees Limited as at 31 March 2024 was 284,207,830 shares which has a difference of 11,000 shares from the record of the Company's share registrar. As the relevant rules of the Hong Kong Stock Exchange do not require clients to report whether the shares that they hold are pledged or frozen, HKSCC Nominees Limited is unable to provide statistics on the number of shares that have been charged, pledged or frozen.

Note3: 39,182,011 shares held by Shanghai Zhengben Corporate Management Consultant Partnership Enterprise (limited partnership) were under various rounds of judicial freezing/tagging. For details, please refer to the respective freezing announcements.

Shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders not subject to selling restrictions participating in the lending and borrowing of shares in the refinancing business

Applicable     Not applicable

Share

Shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders with unlimited shares in circulation participating in the lending and borrowing of shares in the refinancing business								
Name of shareholders (Full name)	General account, credit account holdings at the beginning of the period		Shares lent under refinancing at the beginning of the period and not yet repaid		General account, credit account holdings at the end of the period		Shares lent under refinancing at the end of the period and not yet repaid	
	Total	%	Total	%	Total	%	Total	%
China Merchants Bank – China AMC SSE 50 Constituent Traded Open-ended Index Investment Fund	22,129,692	2.702	643,900	0.079	19,346,474	2.362	398,800	0.049
Industrial and Commercial Bank of China - E-Fonda SSE 50 Constituent Traded Open-ended Index Investment Fund	6,940,542	0.847	622,500	0.076	9,440,135	1.153	173,900	0.021

Changes in the top 10 shareholders and top 10 shareholders not subject to selling restrictions compared with the previous period due to lending/repatriation of refinancing facilities

Applicable     Not applicable

### 3. OTHER REMINDERS

Other important information about the Company's operating conditions during the reporting period that need to remind investors

Applicable     Not applicable

The Company is in the process of applying for the issuance of convertible bonds and other related work. The issue of convertible bonds to unspecified investors is subject to the decision of the China Securities Regulatory Commission ('CSRC') to consent to the registration before implementation. The decision of the CSRC to consent to the registration of the aforesaid issue and the timing are subject to uncertainty.

### 4. QUARTERLY FINANCIAL STATEMENTS

(1) Audit opinion

Applicable     Not applicable

(2) Financial statements

#### Consolidated Balance Sheet 31 March 2024

RMB

Item	31 March 2024 (Unaudited)	31 December 2023 (Audited)
<b>Current assets:</b>		
Cash at bank and on hand	770,782,536.77	1,003,337,496.96
Financial assets held for trading	115,256,111.11	30,213,750.00
Notes receivables	244,608,806.95	390,946,203.95
Accounts receivable	1,188,546,017.09	929,619,309.54
Receivables financing	174,254,645.23	156,656,371.19
Prepayments	106,112,509.20	110,682,041.34
Other receivables	22,701,098.48	23,871,720.59
Inventories	3,214,085,995.68	3,177,370,636.58
Other current assets	60,162,906.09	114,586,140.71
<b>Total current assets</b>	<b>5,896,510,626.60</b>	<b>5,937,283,670.86</b>
<b>Non-current assets:</b>		
Long-term equity investments	41,358,323.19	42,519,687.82
Other equity investments	35,483,348.40	35,465,034.27
Fixed assets	1,112,587,732.50	1,115,454,318.00
Construction in progress	489,245,464.16	480,656,568.13
Right-of-use assets	30,772,247.35	33,859,418.43
Intangible assets	158,133,208.21	143,276,878.80
Development costs	482,915,267.99	456,108,580.08
Long-term prepaid expenses	59,986,385.46	64,086,240.91
Deferred tax assets	5,198,079.68	4,129,192.02
Other non-current assets	183,743,128.94	98,511,297.07
<b>Total non-current assets</b>	<b>2,599,423,185.88</b>	<b>2,474,067,215.53</b>
<b>Total assets</b>	<b>8,495,933,812.48</b>	<b>8,411,350,886.39</b>



<b>Current liabilities:</b>		
Short-term borrowings	<b>915,873,936.38</b>	893,860,090.54
Accounts payable	<b>274,849,770.19</b>	235,756,887.78
Contract liabilities	<b>104,244,535.14</b>	57,567,549.49
Employee benefits payable	<b>128,030,097.57</b>	251,118,256.79
Taxes payables	<b>12,919,270.29</b>	13,936,835.09
Other payables	<b>201,955,728.39</b>	182,230,721.48
Current portion of non-current liabilities	<b>67,576,211.53</b>	72,340,225.85
Other current liabilities	<b>150,104,224.96</b>	172,510,566.20
<b>Total current liabilities</b>	<b>1,855,553,774.45</b>	1,879,321,133.22
<b>Non-current liabilities:</b>		
Long-term borrowings	<b>462,335,477.70</b>	530,063,719.49
Lease liabilities	<b>18,456,252.21</b>	21,710,718.02
Deferred income	<b>20,732,530.37</b>	14,682,715.04
Deferred tax liabilities	<b>3,870,792.40</b>	3,870,791.48
<b>Total non-current liabilities</b>	<b>505,395,052.68</b>	570,327,944.03
<b>Total liabilities</b>	<b>2,360,948,827.13</b>	2,449,649,077.25
<b>Owners' equity (or shareholders' equity):</b>		
Paid-in capital (or share capital)	<b>81,906,040.00</b>	81,906,040.00
Capital surplus	<b>1,797,633,070.40</b>	1,782,726,457.49
Other comprehensive income	<b>16,155,105.77</b>	16,123,727.63
Surplus reserve	<b>40,953,020.00</b>	40,953,020.00
Undistributed profits	<b>3,542,513,685.95</b>	3,381,266,932.48
Total equity attributable to shareholders of the parent company (or shareholders' equity)	<b>5,479,160,922.12</b>	5,302,976,177.60
Minority interests	<b>655,824,063.23</b>	658,725,631.54
<b>Total shareholders' equity (or shareholders' equity)</b>	<b>6,134,984,985.35</b>	5,961,701,809.14
<b>Total liabilities and shareholders' equity (or shareholders' equity)</b>	<b>8,495,933,812.48</b>	8,411,350,886.39

**Consolidated Income Statement**  
**From January to March 2024**

RMB

Item	For the first quarter from January to March	
	2024	2023
	(Unaudited)	(Unaudited)
I. Total Revenue	<b>892,743,914.70</b>	809,356,915.84
Including revenue	<b>892,743,914.70</b>	809,356,915.84
II. Total operating costs	<b>739,701,625.41</b>	583,615,423.54
Including: Costs of sales	<b>387,025,731.89</b>	268,942,274.62
Taxes and surcharges	<b>2,292,223.63</b>	2,171,263.08
Selling expenses	<b>60,039,632.83</b>	58,686,474.21
Administrative expenses	<b>35,871,053.38</b>	35,868,105.53
Research and development expenses	<b>245,299,852.18</b>	219,344,606.32
Finance costs	<b>9,173,131.50</b>	-1,397,300.22
Including: Interest expenses	<b>10,936,529.17</b>	1,333,910.13
Interest income	<b>3,908,573.58</b>	4,792,674.01
Add: Other income	<b>26,694,346.22</b>	14,390,349.42
Investment income (loss is expressed with negative value)	<b>-463,620.52</b>	-77,425.92
Including: Investment loss from associates and joint venture	<b>-1,161,116.41</b>	-985,020.44
Profit arising from change in fair value	<b>42,361.11</b>	217,298.63
Credit impairment loss (loss is expressed with negative value)	<b>-7,025,948.63</b>	-20,782,856.27
Impairment loss of assets (loss is expressed with negative value)	<b>2,700,620.25</b>	-11,579,645.97
Gains on disposal of assets	<b>616.57</b>	403,378.93
III. Operating profit	<b>174,990,664.29</b>	208,312,591.12
Add: Non-operating income	<b>0.92</b>	-
IV. Total profit	<b>174,990,664.29</b>	208,312,591.12
Less: Income tax expenses	<b>16,645,480.05</b>	13,779,105.98
V. Net profit	<b>158,345,185.16</b>	194,533,485.13
(1) Classified by continuity of operations		
Net profit from continuing operation	<b>158,345,185.16</b>	194,533,485.13
(2) Classified by ownership of the equity		
1. Net profit attributable to shareholders of the parent company	<b>161,246,753.47</b>	188,262,836.77
2. Gain or loss of minority interests	<b>-2,901,568.31</b>	6,270,648.36
VI. Other comprehensive income, net of tax	<b>31,378.14</b>	4,790.76
Other comprehensive income, net of tax, attributable to shareholders of the parent company	<b>31,378.14</b>	4,790.76
Other comprehensive income that will be reclassified to profit or loss	<b>31,378.14</b>	4,790.76
Exchange differences arising	<b>31,378.14</b>	4,790.76

from translation of foreign currency denominated financial statements		
VII. Total comprehensive income	<b>158,376,563.30</b>	194,538,275.89
(I) Total comprehensive income attributable to shareholders of the parent company	<b>161,278,131.61</b>	188,267,627.53
(II) Total comprehensive income attributable to minority interests	<b>-2,901,568.31</b>	6,270,648.36
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	<b>0.20</b>	0.23
(II) Diluted earnings per share (RMB/share)	<b>0.20</b>	0.23

For the business combination under common control effected in the current period, the net profit recognized by the merged party before the combination was RMB0, and the net profit recognized by the merged party in the previous period was RMB0.

**Consolidated Statement of Cash Flows  
From January to March 2024**

RMB

Item	For the first quarter from January to March	
	2024 (Unaudited)	2023 (Unaudited)
<b>I. Cash flows from operating activities:</b>		
Cash received from sale of goods or rendering of services	<b>751,062,100.16</b>	600,363,197.33
Refund of taxes and surcharges	<b>10,683,118.07</b>	9,696,496.64
Cash received relating to other operating activities	<b>14,248,878.73</b>	30,943,035.31
Sub-total of cash inflows from operating activities	<b>775,994,096.96</b>	641,002,729.28
Cash paid for goods and services	<b>297,793,610.52</b>	781,706,785.17
Cash paid to and on behalf of employees	<b>402,680,174.45</b>	301,229,978.12
Payments of taxes and surcharges	<b>7,610,777.29</b>	7,185,166.28
Cash paid relating to other operating activities	<b>57,328,919.43</b>	75,864,361.63
Sub-total of cash outflow from operating activities	<b>765,413,481.69</b>	1,165,986,291.20
Net cash flows generated from operating activities	<b>10,580,615.27</b>	-524,983,561.92
<b>II. Cash flows from investing activities</b>		
Net cash received from disposal of investments	<b>160,145,524.75</b>	221,549,131.51
Net cash received from return of investments	<b>739,857.00</b>	907,594.52
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	<b>1,470.00</b>	433,469.03
Other cash received relating to other investment activities	<b>213,164.38</b>	2,792,834.72
Sub-total of cash inflows from investment activities	<b>161,100,016.13</b>	225,683,029.78

Cash paid to acquire fixed assets, intangible assets and other long-term assets	<b>132,650,890.15</b>	253,469,972.83
Cash paid for investments	<b>265,000,000.00</b>	266,556,000.00
Sub-total of cash outflows from investment activities	<b>397,650,890.15</b>	520,025,972.83
Net cash flows from investment activities	<b>-236,550,874.02</b>	-294,342,943.05
<b>III. Cash flows from financing activities:</b>		
Cash received from loans obtained	<b>445,717,254.60</b>	330,563,472.36
Sub-total of cash inflow from financing activities	<b>445,717,254.60</b>	330,563,472.36
Cash repayments of borrowings	<b>450,769,950.55</b>	-
Cash paid for distribution of dividends, profit or interest expenses	<b>12,407,904.97</b>	774,076.22
Other cash paid relating to financing activities	<b>6,829,768.28</b>	6,558,210.80
Sub-total of cash outflow from financing activities	<b>470,007,623.80</b>	7,332,287.02
Net cash flows generated from financing activities	<b>-24,290,369.20</b>	323,231,185.34
<b>IV. Effect of changes in foreign exchange rate on cash and cash equivalents</b>	<b>-2,104,248.91</b>	-1,926,738.19
<b>V. Net increase in cash and cash equivalents</b>	<b>-252,364,876.86</b>	-498,022,057.82
Add: Balance of cash and cash equivalents at the beginning of the period	<b>992,924,996.96</b>	1,120,286,945.68
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	<b>740,560,120.10</b>	622,264,887.86

Particulars on adjustment to relevant items in the financial statements as at the beginning of the year according to new accounting standards or standard interpretations since 2024

Applicable  Not applicable

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

Shanghai, the PRC, 29 April 2024

As at the date of this announcement, the Company's executive Directors are Mr. Jiang Guoxing, Mr. Shi Lei and Mr. Yu Jun; non-executive Directors are Ms. Zhang Qianling and Mr. Sun Zheng, and independent non-executive Directors are Mr. Cao Zhongyong, Mr. Cai Minyong, Mr. Wang Pin and Ms. Zou Fuwen.

*\* For identification urpose only*