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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)

2025 THIRD QUARTERLY REPORT

The board of directors (the “Board”) of Shanghai Fudan Microelectronics Group Company Limited (the “Company”) is pleased to announce the third quarterly unaudited consolidated results of the Company and its subsidiaries (the “Group”) prepared in accordance with China Accounting Standards for Business Enterprises for the nine months ended 30 September 2025. 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 third 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 (%)	From the beginning of the year to the end of the Reporting Period	Change from the beginning of the year to the end of the Reporting Period as compared with the same period of last year (%)
Revenue	118,559.41	33.28	302,444.51	12.70
Total profit	13,434.26	96.03	30,686.79	-25.63
Net profits attributable to shareholders of the parent company	13,667.57	72.69	33,028.98	-22.69
Net profits attributable to shareholders of the parent company after deducting non-recurring profit or loss	12,075.46	59.22	30,306.72	-21.21
Net cash flows from operating activities	N/A	N/A	41,910.49	263.30
Basic earnings per share (RMB/share)	0.16	60.00	0.40	-23.08
Diluted earnings per share (RMB/share)	0.16	60.00	0.40	-23.08
Weighted average return on net asset (%)	2.25	Increased by 0.84 percentage point	5.45	Reduced by 2.31 percentage point
Total research and development investment	26,179.13	-13.22	79,492.67	-11.61
Percentage of research and development investment over revenue (%)	22.08	Decreased by 11.83 percentage point	26.28	Decreased by 7.23 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	928,404.73	904,111.28	2.69
Total equity attributable to shareholders of the parent company	617,679.45	589,408.50	4.80

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

A. Overview of revenue and net profit

1. Situation of the period from January to September 2025

For the period from January to September 2025, the revenue of the Group was approximately RMB3,024 million which representing an increase of approximately 12.70% over the same period of last year. The net profits attributable to shareholders of the parent company were approximately RMB330 million which representing a decrease of approximately 22.69% as compared with the same period of last year. The net profits attributable to shareholders of the parent company after deducting non-recurring profit or loss were approximately RMB303 million which representing a decrease of approximately 21.21% as compared with the same period of last year.

The revenue of each product line was: approximately RMB631 million for security and identification IC chips; approximately RMB783 million for non-volatile memory; approximately RMB386 million for smart meter chips; approximately RMB1,116 million for FPGA and other products; and approximately RMB108 million for testing services (after consolidation elimination). The comprehensive gross profit margin of products for the period from January to September increased from 55.05% to 58.47% as compared with the same period of last year.

2. Situation of the period from July to September 2025

For the period from July to September 2025, the revenue of the Group was approximately RMB1,186 million which representing an increase of approximately 33.28% as compared with the same period of last year. The net profits attributable to shareholders of the parent company were approximately RMB137 million which representing an increase of approximately 72.69% as compared with the same period of last year. The net profits attributable to shareholders of the parent company after deducting non-recurring profit or loss were approximately RMB121 million which representing an increase of approximately 59.22% as compared with the same period of last year.

The revenue of each product line was: approximately RMB239 million for security and identification IC chips; approximately RMB343 million for non-volatile memory; approximately RMB139 million for smart meter chips; approximately RMB433 million for FPGA and other products; and approximately RMB32 million for testing services (after consolidation elimination). The comprehensive gross profit margin of products for the period from July to September increased from 52.15% to 61.06% as compared with the same period of last year.

B. Analysis of key factors impacting net profit for January to September 2025

From January to September 2025, the Group expanded new products actively across its product lines within keen competitive market segments, thereby consolidated or increased its market share. Revenue from all product lines increased, except non-volatile memory; overall gross profit also increased when compared to the same period of last year, which driven by product mix optimisation.

Concurrently, provisions for inventory impairment increased due to factors including lower-than-expected demand for certain products in the inventory and the increasing inventory ageing. Due to changes in the supply chain and customer demand, certain capitalised research and development projects are no longer expected to generate the anticipated economic benefits in the future. Consequently, the research and development expenditure was written off or impaired against the related intangible assets. Other income decreased due to the decrease in the amount of input tax credits of IC enterprise value-added tax and the decrease in the government subsidy of special project acceptance. Consequently, the net profits attributable to the parent company declined during the period from January to September 2025.

(2) Non-recurring profit or loss items and amounts

RMB

Item	Amount of the Reporting Period	Amount from the beginning of the year to the end of the Reporting Period
Gains or losses from disposal of non-current assets, includes reversal of provision for impairment of assets	433,110.62	455,385.05
Government grants recognized in the current period's profit or loss, except for those government grants that are closely related to the Company's normal business operations, in compliance with national policies and in accordance with standards, and have a continuing impact on the Company's profit or loss	16,410,755.11	26,388,358.86
Gains and losses arising from changes in the fair value of financial assets and financial liabilities held by non-financial corporations and gains and losses arising from the disposal of financial assets and financial liabilities, except for effective hedging operations related to the Company's normal business operations	847,624.59	2,717,259.89
Non-operating income and expenses other than the above items	-1,324,014.37	-1,327,209.06
Less : Income tax effect	104,569.78	215,984.26
Minority interest effect (after tax)	341,789.93	795,227.48
Total	15,921,116.24	27,222,583.00

Explanation of items recognized as non-recurring profit or loss items which are not listed in “Interpretative Announcement No. 1 - Non-Recurring Profit or Loss of Companies with Public Offerings” and the amount of such items is material and items; and items recognized as recurring profit or loss items which are listed in “Interpretative Announcement No. 1 - Non-Recurring Profit or Loss of Companies with Public Offerings”.

☐ Applicable ☒ Not applicable

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

☒ Applicable ☐ Not applicable

Item	Change (%)	Main Reasons
Revenue (the Reporting Period)	33.28	This was mainly attributable to increased sales of the Company's non-volatile memory and FPGA chips.
Total profit (the Reporting Period)	96.03	These were mainly attributable to the growth in revenue and gross profit from the Company's non-volatile memory and FPGA chips, resulting in an overall increase in profit.
Net profits attributable to shareholders of the parent company (the Reporting Period)	72.69	
Net profits attributable to shareholders of the Company after deducting non-recurring profit or loss (the Reporting Period)	59.22	
Basic earnings per share (the Reporting Period)	60.00	
Diluted earnings per share (the Reporting Period)	60.00	
Net cash flows from operating activities (from the beginning of the year to the end of the Reporting Period)	263.30	This was mainly attributable to the increase in cash received from the sale of products.

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 10 shareholders.

Share

Total number of ordinary shareholders at the end of the Reporting Period	27,467	Total number of preference shareholders whose voting rights have been restored at the end of the Reporting Period (if any)	N/A
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Top 10 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	Foreign entity	284,260,830	34.61			Unknown	
Shanghai Fuxin Fangao IC Technology Co. Ltd.	State-owned entity	106,730,000	12.99			Nil	
Shanghai Fudan Fukong Technology Enterprise Holdings Limited	State-owned entity	101,732,384	12.38			Nil	
Shanghai Zhengben Corporate Management Consultant Partnership Enterprise (limited partnership)	Domestic non-state-owned entity	20,783,465	2.53			Pledged	20,783,465
CITIC Securities Co., Ltd. – Harvest Shanghai STAR Market Semiconductor Exchange-Traded Fund Securities Investment Fund	Other	7,317,733	0.89			Nil	
Shi Lei	Domestic natural person	7,210,000	0.88			Nil	
Jiang Guoxing	Domestic natural person	7,210,000	0.88			Nil	
Hong Kong Securities Clearing Company Limited	Foreign entity	6,804,268	0.83			Nil	
Agricultural Bank of China Limited – Southern Military Industry Reform Flexible Allocation Hybrid Securities Investment Fund	Other	6,422,734	0.78			Nil	
Agricultural Bank of China Limited - CSI 500 Traded Open-End Index Securities Investment Fund	Other	4,734,652	0.58			Nil	

Shareholdings of the top 10 shareholders which not subject to selling restrictions			
Name of shareholders	Number of shares in circulation without any selling restrictions	Type and number of shares	
		Type	Number
HKSCC Nominees Limited	284,260,830	Overseas listed foreign invested shares	284,260,830
Shanghai Fuxin Fangao IC Technology Co. Ltd.	106,730,000	RMB ordinary shares	106,730,000
Shanghai Fudan Fukong Technology Enterprise Holdings Limited	101,732,384	RMB ordinary shares	101,732,384
Shanghai Zhengben Corporate Management Consultant Partnership Enterprise (limited partnership)	20,783,465	RMB ordinary shares	20,783,465
CITIC Securities Co., Ltd. – Harvest Shanghai STAR Market Semiconductor Exchange-Traded Fund Securities Investment Fund	7,317,733	RMB ordinary shares	7,317,733
Shi Lei	7,210,000	RMB ordinary shares	7,210,000
Jiang Guoxing	7,210,000	RMB ordinary shares	7,210,000
Hong Kong Securities Clearing Company Limited	6,804,268	RMB ordinary shares	6,804,268
Agricultural Bank of China Limited – Southern Military Industry Reform Flexible Allocation Hybrid Securities Investment Fund	6,422,734	RMB ordinary shares	6,422,734
Agricultural Bank of China Limited - CSI 500 Traded Open-End Index Securities Investment Fund	4,734,652	RMB ordinary shares	4,734,652
Details relating to the related relationship of the above shareholders or the parties acting in concert	The Company is not aware whether other shareholders have related relationship or acting-in-concert arrangements.		
Description of the top 10 shareholders and the top 10 unrestricted shareholders participating in margin trading and securities lending and refinancing business (if any)	N/A		

Note1: As at the end of the Reporting Period, the total number of A Shares shareholders is 27,456 and H Shares shareholders is 11.

Note2: Shares held by HKSCC Nominees Limited are held on behalf of its clients. As 4,000 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 from the record of the Company's share registrar as at 30 September 2025 was 284,264,830 shares which has a difference of 4,000 shares. As the relevant rules of the Hong Kong Stock Exchange do not require clients to report whether the shares that they hold are charged, pledged or frozen, thus it is unable to provide statistics on the number of shares that have been charged, pledged or frozen.

Note3: All shares owned by Shanghai Zhengben Corporate Management Consultant Partnership Enterprise (limited partnership) are under judicial frozen/tagging. For details, please refer to the share frozen/waiting list announcement of the shareholder for each period.

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 securities lending and refinancing business

☐ Applicable ☒ Not applicable

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

4. QUARTERLY FINANCIAL STATEMENTS

(1) Audit opinion

☐ Applicable ☒ Not applicable

(2) Financial statements

Consolidated Balance Sheet 30 September 2025

RMB		
Item	30 September 2025	31 December 2024
	(Unaudited)	(Audited)
Current assets:		
Cash at bank and on hand	1,050,449,454.55	1,087,494,485.36
Financial assets held for trading	160,176,829.91	140,423,986.11
Notes receivables	252,571,462.85	298,713,176.51
Accounts receivable	2,065,308,806.25	1,493,805,646.24
Receivables for financing	161,549,722.76	146,984,229.37
Prepayments	233,346,676.12	113,644,331.24
Other receivables	8,948,165.70	9,833,164.05
Inventories	2,990,463,659.92	3,134,456,903.75
Other current assets	43,448,307.98	55,622,669.89
Total current assets	6,966,263,086.04	6,480,978,592.52
Non-current assets:		
Long-term equity investments	50,615,972.04	54,181,165.60
Investment in other equity instruments	34,684,059.68	34,816,060.94
Fixed assets	1,460,296,950.17	1,567,673,557.56
Construction in progress	91,129,694.51	54,802,756.87
Right-of-use assets	25,715,934.56	21,412,383.49
Intangible assets	128,957,267.72	197,495,198.20

Development costs	388,771,798.53	502,272,190.99
Long-term prepaid expenses	54,900,692.96	50,444,603.53
Deferred tax assets	23,684,464.04	12,150,568.25
Other non-current assets	59,027,377.24	64,885,721.14
Total non-current assets	2,317,784,211.45	2,560,134,206.57
Total assets	9,284,047,297.49	9,041,112,799.09
Current liabilities:		
Short-term borrowings	626,000,000.00	1,071,872,039.08
Accounts payable	301,077,467.67	234,621,512.71
Contract liabilities	133,571,666.04	103,194,260.37
Employee benefits payable	144,738,785.35	164,318,991.66
Taxes payables	64,901,421.32	38,398,088.82
Other payables	56,480,351.90	76,683,635.99
Non-current liabilities due within one year	310,581,709.25	368,203,159.44
Other current liabilities	182,118,016.45	167,099,502.06
Total current liabilities	1,819,469,417.98	2,224,391,190.13
Non-current liabilities:		
Long-term borrowings	609,672,485.00	239,863,539.60
Lease liabilities	17,754,870.59	8,582,179.88
Deferred income	24,640,846.32	20,516,501.67
Deferred tax liabilities	3,638,428.56	3,638,465.02
Total non-current liabilities	655,706,630.47	272,600,686.17
Total liabilities	2,475,176,048.45	2,496,991,876.30
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	82,142,730.00	82,142,730.00
Capital reserve	1,901,371,115.95	1,882,822,116.58
Other comprehensive income	15,795,994.25	16,211,183.24
Surplus reserve	41,071,365.00	41,071,365.00
Undistributed profits	4,136,413,287.20	3,871,837,648.79
Total equity attributable to owners of the parent company (or shareholders' equity)	6,176,794,492.40	5,894,085,043.61
Minority interests	632,076,756.64	650,035,879.18
Total owners' equity (or shareholders' equity)	6,808,871,249.04	6,544,120,922.79
Total liabilities and owners' equity (or shareholders' equity)	9,284,047,297.49	9,041,112,799.09

Consolidated Income Statement
From January to September 2025

RMB

Item	For the three quarters from January to September	
	2025	2024
	(Unaudited)	(Unaudited)
I. Total revenue	3,024,445,138.32	2,683,645,341.52
Including revenue	3,024,445,138.32	2,683,645,341.52
II. Total operating costs	2,559,345,372.25	2,345,249,471.94
Including: Cost of sales	1,255,996,089.32	1,206,313,479.14
Taxes and surcharges	20,290,537.66	6,874,405.37
Selling expenses	185,564,416.76	182,186,292.71
Administrative expenses	127,474,628.14	115,125,159.57
Research and development expenses	946,503,913.93	803,837,831.02
Finance costs	23,515,786.44	30,912,304.13
Including: Interest expenses	29,183,079.12	32,123,811.70
Interest income	12,727,491.66	12,547,091.12
Add: Other income	65,883,352.81	142,132,898.21
Investment income (loss is expressed with negative value)	16,771.45	-90,330.10
Including: Investment loss from associates and joint venture	-2,911,586.13	-2,916,608.07
Gains from change in fair value (loss is expressed with negative value)	-247,156.20	50,000.00
Credit impairment loss (loss is expressed with negative value)	-22,531,157.98	-32,952,034.21
Asset impairment loss (loss is expressed with negative value)	-200,481,815.07	-36,896,810.16
Gains on disposal of assets	455,385.05	2,446,396.32
III. Operating profits	308,195,146.13	413,085,989.64
Add: Non-operating income	23,156.48	54,200.92
Less: Non-operating expenses	1,350,365.54	500,037.76
IV. Total profit	306,867,937.07	412,640,152.80
Less: Income tax expenses	-5,462,762.80	1,702,659.38
V. Net profit	312,330,699.87	410,937,493.42
(1) Classified by continuity of operations		
Net profits from continuing operation	312,330,699.87	410,937,493.42
(2) Classified by ownership of the equity		
1. Net profits attributable to shareholders of the parent company	330,289,822.41	427,239,183.99
2. Gain or loss of minority interests (loss is expressed with negative value)	-17,959,122.54	-16,301,690.57
VI. Other comprehensive income, net of tax	-415,188.99	-230,257.50

Other comprehensive income, net of tax, attributable to shareholders of the parent company	-415,188.99	-230,257.50
Other comprehensive income that will be reclassified to profit or loss	-415,188.99	-230,257.50
Exchange differences arising from translation of foreign currency denominated financial statements	-415,188.99	-230,257.50
VII. Total comprehensive income	311,915,510.88	410,707,235.92
(I) Total comprehensive income attributable to shareholders of the parent company	329,874,633.42	427,008,926.49
(II) Total comprehensive income attributable to minority interests	-17,959,122.54	-16,301,690.57
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.40	0.52
(II) Diluted earnings per share (RMB/share)	0.40	0.52

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 September 2025

RMB

Item	For the three quarters from January to September	
	2025	2024
	(Unaudited)	(Unaudited)
I. Cash flows generated from operating activities:		
Cash received from sale of goods or rendering of services	2,612,889,051.18	2,337,629,763.05
Refund of taxes and surcharges	33,705,902.15	17,698,741.71
Cash received relating to other operating activities	50,105,226.91	66,335,714.58
Sub-total of cash inflows from operating activities	2,696,700,180.24	2,421,664,219.34
Cash paid for goods and services	1,085,293,548.07	1,149,970,784.94
Cash paid to and on behalf of employees	788,969,155.28	930,860,658.62
Payments of taxes and surcharges	203,069,725.54	42,616,303.74
Cash paid relating to other operating activities	200,262,875.77	182,856,568.48
Sub-total of cash outflow from operating activities	2,277,595,304.67	2,306,304,315.78

Net cash flows generated from operating activities	419,104,875.58	115,359,903.56
II. Cash flows generated from investing activities		
Net cash received from disposal of investments	1,043,197,318.10	761,342,401.28
Net cash received from return of investments	2,195,502.80	233,005.54
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	647,455.00	2,130,450.81
Other cash received relating to other investment activities	749,883.04	1,647,067.74
Sub-total of cash inflows from investment activities	1,046,790,158.94	765,352,925.37
Cash paid to acquire fixed assets, intangible assets and other long-term assets	198,119,090.40	241,664,515.45
Cash paid for investments	1,043,000,000.00	1,030,000,000.00
Sub-total of cash outflows from investment activities	1,241,119,090.40	1,271,664,515.45
Net cash flows from investment activities	-194,328,931.46	-506,311,590.08
III. Cash flows generated from financing activities:		
Cash received from financing activities	-	14,541,402.41
Cash received from loans obtained	1,046,372,000.00	1,058,089,293.68
Sub-total of cash inflow from financing activities	1,046,372,000.00	1,072,630,696.09
Cash repayments of borrowings	1,176,692,039.08	823,763,886.93
Cash paid for distribution of dividends, profit or interest expenses	93,106,354.32	121,882,457.15
Other cash paid relating to financing activities	12,365,431.51	15,730,351.48
Sub-total of cash outflow from financing activities	1,282,163,824.91	961,376,695.56
Net cash flows generated from financing activities	-235,791,824.91	111,254,000.53
IV. Effect of changes in foreign exchange rate on cash and cash equivalents	-5,946,527.79	-9,471,234.54
V. Net increase in cash and cash equivalents	-16,962,408.59	-289,168,920.54
Add: Balance of cash and cash equivalents at the beginning of the period	1,063,300,787.15	992,924,996.96
VI. Balance of cash and cash equivalents at the end of the period	1,046,338,378.56	703,756,076.42

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 2025.

☐ Applicable ☒ Not applicable

By order of the Board
Shanghai Fudan Microelectronics Group Company Limited*
Chairman
Mr. Zhang Wei

Shanghai, the PRC, 28 October 2025

As at the date of this announcement, the Company's executive Directors are Mr. Zhang Wei and Mr. Shen Lei; non-executive Directors are Ms. Yan Na, Mr. Zhuang Qifei, Ms. Zhang Rui and Mr. Song Jiale, and independent non-executive Directors are Ms. Shi Yanling, Ms. Wang Meijuan and Mr. Hu Xue.

** For identification purpose only*