

Appendix

Initiative on Further Guaranteeing Standard Issuance on the ChiNext Board

To further guarantee steady implementation of the reform of the ChiNext Board and the pilot project of the registration-based IPO system and achieve standard, transparent, steady, orderly IPO issuance and underwriting on the ChiNext Board under the registration-based IPO system, the following initiative is put forward after full discussion according to the requirements of the reform task of the ChiNext Board and the advice and suggestions of market participants:

1. Issuers, sponsors, underwriters, buyers, etc. shall strengthen the awareness of responsibility, norm and risk, promote stable, healthy operation of the capital market, and carry out or participate in IPO issuance and underwriting business on the ChiNext Board in a rational, orderly manner.
2. Prudently carrying out strategic placement and improving issuers' intrinsic value. Sponsors and underwriters shall diligently and responsibly fulfill the obligation of reviewing strategic investors and the duty of continuous supervision, handle the followed investment made by relevant subsidiaries of

sponsors and the participation in strategic placement of issuers' senior management members and core employees through special asset management plans according to regulations, prudently select investors such as quality leading players on industrial chains that have feasible strategic cooperation relations with the issuers and can introduce important strategic resources to participate in strategic placement.

3. Facilitating and simplifying partial business operations and ensuring safe, stable operation. Issuers that issue less than 80 million shares in IPO and are expected to raise less than CNY 1.5 billion through the IPO do not use accumulated bidding enquiry to determine the issue price or adopt an over-allotment option.

4. Institutional investors shall effectively exercise duties and refine the quotation formation mechanism. Except closed-end ChiNext Board themed publicly offered funds and strategic placement funds, the threshold of SZSE market capitalization held by offline institutional investors and the allotment object accounts they manage shall be no lower than CNY 60 million.

Member units of the Committee will strictly abide by and consciously carry out the foregoing initiative, work with all ChiNext Board issuers, sponsors, underwriters, buyers and other relevant participants to build a good ecosystem

in the capital market, actively implement the requirements of “Four Respects” (respecting the market, rule of law, profession and risks) and “One Resultant Force” (seeking support from all sectors of society), and make due contributions to building a standard, transparent, open, dynamic and resilient capital market.

ChiNext Board Stock Issuance Regulation Committee of the SZSE Board of Directors

10 July 2020