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Interim Measures for the Management of the National Science and Technology Achievement Transformation Guidance Fund

Chapter 1 GENERAL General Provisions

Article 1 For the purpose of implementing the
"People's Republic of China Promoting the Transfer of
Scientific and Technological Achievements

To accelerate the implementation of the Innovation-driven Development Strategy, promote the transformation and application of scientific and technological achievements, and guide social forces and local governments to increase investment in the transformation of scientific and technological achievements, the central government has established the National Science and Technology Achievement Transformation Guidance Fund (hereinafter referred to as the Transformation Fund). These Measures are formulated to regulate the management of the Transformation Fund.

Article 2 The Transformation Fund is mainly used

to support the transformation of the use of financial resources in the form of Scientific and technological achievements, including new technologies, new products, new processes, new materials, new devices and their systems generated by the central government's science and technology programmes, local science and technology programmes and other establishments.

Article 3 The source of funding for the conversion fund shall be the central financial allocation and social Donation.

Article 4 The Transformation Fund shall be established through the establishment of a Venture Capital Sub-Fund (hereinafter referred to as (sub-fund) to support the transformation of scientific and technological achievements.

Article 5 The transformation fund follows the principles of guidance, indirectness, non-profit and market The principle of fielding.

Article 6 The Transformation Fund shall adhere to performance orientation and implement comprehensive budget performance

Management requirements to enhance the efficient use of funds.

Chapter 2 The Sub-Fund

Article 7 The Transformation Fund shall jointly establish sub-funds with qualified investment institutions to provide equity investment for enterprises that transform scientific and technological achievements. The sub-fund shall focus on supporting science and technology-based SMEs in the seed, start-up and growth stages of the transformation and application of scientific and technological achievements.

Article 8 Encourage the establishment of local government investment funds in conjunction with conversion funds

Sub-funds. Encourage eligible innovation and entrepreneurship carriers to participate in the establishment of sub-funds to strengthen synergy between investment and incubation and promote the transformation of scientific and technological achievements.

Article 9 The Transformation Fund shall not act as the first shareholder of the Sub-Fund or contribute. The sub-fund will be managed by the sub-fund management body in accordance with the law, with the remaining funds to be raised by the sub-fund management

body.

Article 10 The Sub-Fund shall be financed by an amount not less than three times the capital contribution of the Transformation Fund and not less than

Less than 50% of the total amount of the sub-fund is invested in enterprises that transform the use of financial funds to form scientific and technological achievements. Other investment directions should be in line with the high-tech fields supported by the State.

Article 11 The Sub-Fund shall not engage in loans or shares (investment in enterprises listed (except for), futures, real estate, securities investment funds, corporate bonds, financial derivatives and other investments, as well as other businesses in which private equity funds are prohibited from engaging by national laws and regulations, and shall not be used for sponsorship, donations and other expenditures. The funds to be invested should be deposited in banks or purchased in government bonds and local government bonds.

Article 12 The duration of the Sub-Fund shall normally not exceed 8 years. During the duration of the survival period, the Other investors are encouraged to purchase shares or equity

in the sub-funds held by the conversion fund. Deposit

At the end of the renewal period, the conversion fund will be liquidated with other contributors with the same equity. The income obtained from the transfer of shares or equity interests of the Sub-Fund by the Transformation Fund and the income obtained from the liquidation of the Sub-Fund shall be paid to the central treasury in accordance with the relevant regulations of the Ministry of Finance.

Article 13 The Sub-Fund shall select a trustee who is qualified and in compliance with the trusteeship. A custodian account shall be opened with the required bank. Funds arising from equity transfers, dividends and liquidations during the life of the sub-fund should go into the sub-fund's custodian account and should not be invested in a circular manner.

Article 14 The Sub-Fund shall entrust a professional investment management enterprise as The Sub-Fund management body.

Article 15 At the end of the life of the sub-fund, the average annual return reaches a certain
If required, the sub-fund management institution may withdraw a certain percentage of the performance commission. Each contributor to the sub-fund will receive investment income in accordance with the proportion of

capital contribution or the relevant agreement, and may reward part of the investment income to the sub-fund management institution.

Article 16 The sub-fund shall include in the partnership agreement or articles of association of the sub-fund

The relevant matters set out in this Scheme are set out in

Article 17 Purchase of conversion funds by other investors during the life of the sub-fund

The share or equity of the sub-fund held by the fund may be appropriately concessioned by the conversion fund in accordance with the principle of benefit-sharing and risk-sharing.

Chapter 3 Organizational Management and Supervision

Article 18 The Ministry of Finance and the Ministry of Science and Technology shall be responsible for the top-level design and planning layout of the transformation fund, the formulation of the management system of the transformation fund, and the co-ordination of the management and operation of the transformation fund.

The Ministry of Finance is responsible for the execution, performance management and supervision of the Fund. The Ministry of Finance (MOF) performs the duties of the funders of the Transformation Fund. The Ministry of Science and Technology approves the establishment of sub-funds and manages major changes to sub-funds in accordance with regulations.

Article 19 The Ministry of Science and Technology (MOST) and the Ministry of Finance (MOF) jointly commission institutions that are qualified to (hereinafter referred to as the Trustee) is responsible for the day-to-day management of the Conversion Fund.

Article 20 The trustee shall establish the management of the Adaptation Fund and work needs of the professional staff team, internal organisational structure, management system and risk control mechanism, etc.

Article 21 The Trustee shall send representatives to the Sub-Fund and shall be responsible for the Sub-Fund. The Sub-Fund shall exercise its responsibilities as a contributor, participate in major decisions, supervise investments and operations, and not participate in day-to-day management. The assigned representatives shall not hold part-time positions in the sub-fund and its

management bodies, and shall not receive any form of remuneration such as work allowances, subsidies and bonuses from the sub-fund. **Article 22**

The Ministry of Science and Technology and the Ministry of Finance shall organize the establishment of the governing board of the Transformation Fund.

The committee, composed of experts in the fields of science and technology, finance, law, finance and investment, advises the Transformation Fund.

The Council reviews the proposal for the establishment of sub-funds through the working meetings of the Council members, and holds regular annual plenary meetings to provide advice and suggestions for the development of the Transformation Fund, etc. Council members perform their duties in accordance with the rules and regulations, and are subject to the supervision of the Ministry of Science and Technology and the Ministry of Finance.

Article 23 The members of the Council other than the Ministry of Science and Technology and the Ministry of Finance shall be appointed for each term

The term of office shall be three years, and no more than two consecutive terms shall be allowed. At the end of each

term of office, at least one third of the members of the Council, except for the Ministry of Science and Technology and the Ministry of Finance, shall be replaced.

Article 24 The Council shall have a chairman who shall be responsible for convening working meetings of the Council

The Council shall meet with the following The number of members of the Council attending the working sessions of the Council shall be as high as the total number of members.

At least one-half of the members of the Council and at least one member of the Council from each area shall participate.

When the Council examines the establishment of the Sub-Fund at the working meeting, a vote is taken by secret ballot, and the Council's opinion on the examination is formed. A two-thirds majority of the votes cast in favour of the establishment of a sub-fund shall be passed.

Article 25 Ministry of Science and Technology to establish national information sharing on transformation of scientific and technological achievements

The platform, which mainly showcases the scientific and technological achievements formed with financial funds, provides information support for the transformation of scientific and technological achievements. The summary information of scientific and technological achievements in the platform is open to the public except for those involving national security, significant social public interests and commercial secrets.

Article 26 The Transformation Fund establishes a whole process performance management mechanism, science and technology

The Ministry is responsible for the scientific setting of

performance targets and performance indicators and for performance monitoring. At the end of each year, the entrusted management agency will conduct a self-assessment of the performance of the Transformation Fund. The self-evaluation results are approved by the Ministry of Science and Technology and reported to the Ministry of Finance. The Ministry of Finance organises key performance evaluations at appropriate times according to work needs. The Ministry of Science and Technology and the Ministry of Finance will strengthen organizational guidance and supervise the application of performance evaluation results.

Article 27 Management fee of the conversion fund with reference to the market equivalent size government

The investment fund situation and combined with the performance evaluation results and actual work needs to decide. The specific approved ratio and management of the use of the management fee shall be separately stipulated by the Ministry of Science and Technology and the Ministry of Finance.

Article 28 Staff of the Ministry of Finance, the Ministry of Science and Technology and the entrusted administration

In the process of the management of the conversion fund, there is abuse of power, negligence, favouritism and other illegal and undisciplined acts, according to the law, to order correction, the responsible leaders and directly responsible personnel to be punished according to the law; suspected of crime, according to the law, transferred to the relevant authorities to deal with.

Article 29 The unit involved in the provision of information in the implementation of the Transformation Fund

The company shall guarantee the truthfulness of the information provided and shall be liable for the consequences of false information.

Article 30 The Transformation Fund establishes a public announcement system.

Chapter 4 BYLAWS Rules

Article 31 The Ministry of Science and Technology and the Ministry of Finance shall formulate the relevant implementation rules of the Transformation Fund in accordance with these Measures.

Article 32 Localities may refer to these Measures to establish the transformation of scientific and technological achievements
Introductory Fund.

Article 33 The Ministry of Finance and the Ministry of Science and Technology shall be responsible for the interpretation of these Measures.

Article 34 These Measures shall come into force on

January 1, 2022, and the National
The Interim Measures for the Administration of Science
and Technology Achievement Transformation Guidance
Fund (Caijiao [2011] No. 289) shall be repealed at the
same time.