

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q/A

Amendment No. 1

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2018

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission file number: 001-38273

ACM Research, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

94-3290283

(I.R.S. Employer Identification No.)

42307 Osgood Road, Suite I, Fremont, California 94539

(Address of Principal Executive Offices) (Zip Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data file required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☒

(Do not check if a smaller reporting company)

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Class	Number of Shares Outstanding
Class A Common Stock, \$0.0001 par value	13,963,257 shares outstanding as of August 7, 2018
Class B Common Stock, \$0.0001 par value	1,918,423 shares outstanding as of August 7, 2018

EXPLANATORY NOTE

We are filing this Amendment No. 1 on Form 10-Q/A, or this Amendment, to amend our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2018, as filed with the Securities and Exchange Commission on August 9, 2018, or the Original Form 10-Q. This Amendment is being filed solely for the purpose of filing Exhibit 10.01. In accordance with Rule 12b-15 under the Securities Exchange Act of 1934, new certifications by our principal executive officer and principal financial officer are filed as Exhibits 31.01 and 31.02 to this Amendment. We are not including new certifications pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350), as no financial statements are being filed with this Amendment.

Accordingly, this Amendment consists of only the facing page, this explanatory note, Item 6 of Part II, “Exhibits,” and Exhibits 10.01, 31.01 and 31.02 hereto. This Amendment is presented as of the filing date of the Original Form 10-Q and does not reflect events occurring after that date, or modify or update disclosures or exhibits in any way, other than as required to reflect the filing of Exhibit 10.01.

Item 6. Exhibits

Exhibit Number	Description
10.01	Lease Agreement dated April 26, 2018, between ACM Research (Shanghai), Inc. and Shanghai Zhangjiang Group Co., Ltd.
31.01	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.02	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.01*	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed previously.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ACM RESEARCH, INC.

Dated: October 15, 2018

By: /s/ DAVID H. WANG
David H. Wang
Chief Executive Officer and President

Contract Registration No.:

Shanghai Zhangjiang Group Co., Ltd.

Housing Lease Contract

between

Shanghai Zhangjiang Group Co., Ltd.

("Party A" or "Lessor")

And

ACM Research (Shanghai), Inc.

("Party B" or "Lessee")

Date:

Housing Lease Contract (Agreed Terms)

THIS CONTRACT is made and entered into by and between:

Party A: Shanghai Zhangjiang Group Co., Ltd.

Address: Building 16, No. 1387, Zhangdong Road, Shanghai 201203

Tel.: 021-68796879

Party B: ACM Research (Shanghai), Inc.

Business License No.: 91310000774331663A

Address: Building 4, No. 1690 Cailun Rd, Zhangjiang Hi-tech Park, Pudong New Area, Shanghai 201203

Tel.: 021-50808868

Legal Representative: Hui Wang ID Card/Passport No.: 545822421

Contact Information:

I. Basis for this Contract

1.1 This Housing Lease Contract ("**Contract**") is made and entered into by Party A and Party B through mutual negotiation in respect of the lease of the Premises (as defined below). All the provisions of this Part constitute the contractual terms and conditions under the Housing Lease Contract.

II. Information on Party B

2.1 Party B is an enterprise which engages in manufacturing integrated circuit equipment within Zhangjiang Hi-tech Park ("**Zhangjiang Hi-tech Park**" or "**Park**").

2.2 Party B warrants that it shall conduct its operational activities according to law and complete and timely secure all necessary registrations, record-filings and administrative licenses with and from the competent administrative authorities (including the industrial and commercial administration bureau, health bureau, environmental protection authority, fire fighting authority, culture authority, public security organ, etc.) therefor. Party A shall not be responsible for any failure on the part of Party B to obtain the said operational licenses, or make any compensation therefor in whatever form to Party B (including but not limited to the costs of fitting-out, decoration and promotion of the Premises incurred by Party B). If Party B fails to secure the said registrations, record-filings or licenses, thus causing the impracticable fulfillment of this Contract,

Party B shall be solely responsible for all losses arising therefrom.

III. Premises to be Leased

- 3.1 Location and Area of the Premises: Party A shall lease its house located at Floors 1-5, Building 4, No. 1690 Cailun Rd, Zhangjiang Hi-tech Park, Zhangjiang, Shanghai (the "**Premises**" or "**Leased Premises**") to Party B for use. It is acknowledged that the actually measured built-up area of the Premises is 5,900.28 square meters in total, for which no dispute shall be made and such Premises shall be used as the place where Party B's projects are to be conducted. By accepting the delivery of the Premises, Party B shall be deemed to have agreed upon the compliance of rental area of such Leased Premises with this Contract.
- 3.2 Party B agrees to pay off the rent or occupancy fees and other rental-related expenses as agreed hereunder.
- 3.3 Use of Public Area and Public Facilities: during the Lease Term, Party B shall have the right to make reasonable use of the public areas and public facilities outside the Leased Premises so as to get into or out of the Leased Premises, which shall be deemed as an extension of the right to use the Leased Premises. The exercise of the said right by Party B shall not be for commercial purpose, nor shall create any unreasonable hindrance upon others' rights; besides, Party B shall obey the management directions given by Party A or its designated management service provider.
- 3.4 Infrastructures of the Premises:

The electronic power capability of 100w per square meter will be available within the Premises, within which Party B shall use the power. The phone line access service shall be arranged by Property Management Company by applying to the telecommunications department subject to the standard of each 60 square meters for each user. The floor bearing capacity is 250kg per square meter. If Party B requires the infrastructures with the specification beyond the said data, thus requiring the increase of configuration capacity, Party B shall make a written application to Party A in advance and pay off relevant rectification fees. The annual maximum water consumption of Party B shall not exceed 4 cubic meters per square meter. Otherwise, Party B shall pay for the excessive water consumption in accordance with the applicable charging standards developed by the competent authority.

IV. Use of the Premises

- 4.1 The Premises shall be leased from Party A for the sole purpose of Party B's production and operation, which shall be subject to the provisions of the State and Shanghai municipality regarding the use of the Premises as well as the rules and regulations of Property Management Company.

V. Lease Term and Delivery of the Premises

- 5.1 Party A shall lease the Premises defined herein to Party B for a period of 60 months, calculated from January 1, 2018 to December 31, 2022.

5.2 Considering that Party A and Party B are renewing the lease of the Premises and Party B is actually occupying and using the Premises, Party A and Party B hereby acknowledge that the parties hereto shall not separately handle the housing handover formalities.

VI. Rent

6.1 The rent for the Leased Premises defined herein shall be charged at the rate of RMB 2.0 Yuan per square meter per day (inclusive of 5% VAT and the rate exclusive VAT is RMB1.905 Yuan per square meter per day). Prior to execution of this Contract, Party A has specifically informed Party B and Party B acknowledges that: such Premises is "an old real property project" in accordance with the *Resolution on Comprehensively Implementing the Pilot Proposal for the Change from Business Tax to Value-Added Tax* considered and adopted by the executive meeting of the State Council and the *Circular of the State Administration of Taxation of the Ministry of Finance regarding Comprehensively Implementing the Pilot Proposal for the Change from Business Tax to Value-Added Tax*, for which the rent of the Premises shall be subject to the VAT calculated by simple calculation method (i.e. the VAT shall be calculated at the rate of 5%); in case of any new provision subsequently promulgated by the tax authority, causing that the said simple calculation method no longer applies to this old real property project, the rent shall be adjusted in a manner which will not reduce the tax-excluded rent actually charged by Party A.

VII. Performance Bond

7.1 The deposit of the lease under the contract is RMB1,076,801.10 Yuan. Both parties agreed that the lease deposit of RMB 1,076,801.10 Yuan totally paid by Part B under the lease contract (No.16-1048) signed between Party A and Party B on September, 2018 is automatically transferred to this new lease .

Registration with the Industrial and Commercial Administration Bureau

8.1 Party B understands and acknowledges that the lease of the Premises by Party A is conditional upon the fact that Party B completes the industrial and commercial registration procedures. If Party B moves out of Zhangjiang Hi-tech Park during the Lease Term, Party A shall have the right to unilaterally cancel this Contract without any liability and Party B shall be solely responsible for all losses thus incurred.

VIII. Daily Liquidated Damages

9.1 Unless otherwise agreed herein, the defaulting party shall bear the liquidated damages of RMB 2,000 on a daily basis for its breach of this Contract (other than the payment obligation set out herein).

IX. Precedence

10.1 The contractual terms and conditions under this Contract and those standard terms and conditions detailed below shall be legally binding and jointly constitute the Housing Lease Contract. In case of any inconsistency between the contractual terms and conditions under this Contract and those standard terms and conditions detailed

below, the former shall prevail.

X. Effectiveness

- 11.1 This Contract shall be written in Chinese and made in four counterparts, with Party A and Party B holding two respectively and shall take effect upon signatures of Party A and Party B.

Housing Lease Contract (Standard Terms)

I. General Provisions

- 1.1 Party A and Party B, intending to be legally bound, hereby enter into the Housing Lease Contract in respect of the lease of the Premises (as defined below) through mutual negotiation in accordance with the *Contract Law of the People's Republic of China*, the *Regulations of Shanghai Municipality for the Lease of Premises* and other applicable provisions and by reference to the current practices within China and of each development area in Shanghai.
- 1.2 The parties hereto must act in accordance with the applicable laws, regulation and rules of the People's Republic of China, Shanghai Municipality and Pudong New Area and subject to this Contract.

II. Contractual Documents

- 2.1 The following documents shall constitute an integral part of this Contract and shall have the same legal force with the text of this Contract;
- 2.1.1 Floor Plan of the Premises leased hereunder, to be provided by Party A (Appendix I);
- 2.1.2 Certificate showing Party B is legally incorporated and validly existing, i.e. a copy of Party B's Business License, to be provided by Party B (Appendix II);
- 2.1.3 Letter of Undertaking on Production Safety (Appendix III) and Letter of Undertaking on Fire Safety (Appendix IV), to be issued by Party B.

III. Legal Status of the Parties

- 3.1 Party A is a business entity established with the approval of the Chinese government, which engages in the land development and operational management of Zhangjiang Hi-tech Park, Shanghai and is qualified as a legal person in China.

Party A shall lease out the Premises as the owner/operational manager of the Premises.

- 3.2 Please refer to the contractual terms and conditions for the information on Party B.

IV. Premises to be Leased

- 4.1 Please refer to the contractual terms and conditions for details.

V. Use of the Premises

- 5.1 Please refer to the contractual terms and conditions for details.

VI. Lease Term and Delivery of the Premises

6.1 Please refer to the contractual terms and conditions for details.

VII. Rent and Payment

7.1 Rent: please refer to the contractual terms and conditions for details.

7.2 Payment of Rent:

7.2.1 It is acknowledged that Party B shall, prior to date of signing the contract, pay Party A of the total back rent in an amount of RMB 8,883,622 for the period from February 1, 2012 to October 31, 2015 plus the decoration allowance of RMB 4,192,402 Yan; in case of any failure on the part of Party B to make said payment, Party B shall bear the corresponding breaching liabilities subject to the provisions of the Lease Contract previously concluded by Party A and Party B.

7.2.2 Party B shall, prior to March 31, 2018, pay Party A the rent of RMB 1,062,050.4 Yuan for the period from January 1, 2018 to March 31, 2018.

7.2.3 For the period subsequent to April 1, 2018, the rent due and payable by Party B shall be paid by Party B on a monthly basis, and shall be paid to Party A within ten (10) days prior to commencement of each payment cycle.

7.2.4 Party B shall pay the rent, performance bond and relevant sums to Party A's designated account subject to this Contract, i.e.:

Account Name: Shanghai Zhangjiang Group Co., Ltd.

Account Bank: Industrial and Commercial Bank of China Shanghai Branch Keyuan Sub-branch

Account No.: 1001 1949 0901 4461 067

7.2.5 VAT Invoice: Party B shall, within three (3) days upon execution of this Contract, provide Party A with the details for issuing the VAT invoice. If Party B is a small-scale taxpayer, Party A shall provide Party B with a general VAT invoice upon receipt of the rent from Party B; if Party B is a general taxpayer, Party A shall provide Party B with a special VAT invoice (VAT rate is 5%) upon receipt of the rent from Party B. In case of any change to Party B's details for issuing the VAT invoice during the performance of this Contract, Party B shall notify the same to Party A within five (5) working days subsequent to such change and submit a document issued by tax authority evidencing its updated taxpayer information to Party A. Otherwise, Party A shall have the right to issue the invoice as per the original invoicing information.

VIII. Performance Bond

- 8.1 Amount of Performance Bond: Please refer to the contractual terms and conditions for details.
- 8.2 Party A shall have the right to deduct the sums, expenses, liquidated damages, compensation or late fees payable or due by Party B under this Contract from the performance bond. If such performance bond cannot cover the losses incurred to Party A, Party A may make further claim against Party B. In no event shall Party B require to set the performance bond against the rent or any other expense payable and due.
- 8.3 If Party A has the right to make the said deduction or set-off from or against the said performance bond as set out herein, and such performance bond is insufficient, Party B shall, within fifteen (15) days upon receipt of written notice from Party A indicating such insufficiency, pay off the said insufficiency. Otherwise, Party A shall have the right to cancel this Contract with immediate effect.
- 8.4 When this Contract terminates upon its expiry or is cancelled in advance, Party A shall refund the performance bond (without interest) to Party B within thirty (30) days after Party B restores the Premises into the original condition and surrenders the same to Party A, completes the surrender procedures, pays off the rent due and other payables (including but not limited to property management fee, water fee, electricity fee, gas fee, telecommunications fee, late fee, liquidated damages and damages) arising during the Lease Term, cancels the utility projects activated by Party B itself and pays off the utility fees and goes through the formalities as to migration or deregistration of registered address.

IX. Property Management

- 9.1 Party B shall bear and pay the property management fee to the Property Management Company in accordance with the terms and conditions of the Property Management Contract executed by Party A and the Property Management Company in charge of the Premises. Party B shall abide by the provisions of the Property Management Convention.
- 9.2 The utility fees such as the fees and charges for water, electricity, gas, telecommunications, etc. incurred by Party B during the Lease Term shall be calculated and charged in accordance with the charging standards of competent governmental department, Property Management Contract and Property Management Convention. If Party A issues the VAT invoices as to such utility fees directly to Party B, Party B shall bear the value-added tax arising thereby.
- 9.3 The charges for parking space used by Party B shall be calculated and paid off in accordance with the Property Management Convention. Party B acknowledges that the Property Management Company shall have the right to amend the Property Management Convention and adjust the charging standard for parking space as the case may be, provided that the charges for parking space shall not be beyond the charging standard approved or recorded by the pricing bureau.

X. Restrictions on Sublease or Under-lease

- 10.1 Without Party A's consent, Party B shall not sublease, partially under-lease, rent out or share with any third party the Premises or conduct any activity other than Party

B's operational activities therein. If Party B conducts the said activity without Party A's consent, Party A shall have the right to cancel this Contract with immediate effect and pursue the legal liabilities for breach of this Contract against Party B.

- 102 Party A, Party B and the sub-lessee shall separately execute a tripartite agreement in respect of any sublease or under-lease approved by Party A.

XI. Fitting-out and Installation

- 11.1 Party B shall divide, decorate and / partially reconstruct the Leased Premises and install any equipment, pipeline and other facilities in accordance with the following provisions:
- 11.11 Party B shall not conduct the said activities unless Party A's prior written consent is obtained, and, if any of the said activities involves the part belonging to the adjoining tenant, the consent of such adjoining tenant shall also be required. The said activities shall be conducted in a manner which will not affect the normal use of adjoining tenant of such tenant's house;
- 11.12 Party B shall not damage the building structure of the Leased Premises and the building where such Premises locate. Party A and Property Management Company shall have the right to supervise and inspect Party B and require Party B to rectify any noncompliance timely. In case of any breach of this Article, Party B shall make resolution and restore the Premises into the original conditions at its sole costs and expenses. Party B has the right to conduct the fitting-out of the Premises;
- 11.13 Party B must report and apply for the approval as to the fitting-out of the Premises to competent governmental department in advance and shall secure the review and approval of competent governmental department as to the fire prevention and environmental protection of the Premises in accordance with the laws, regulations and rules of the State, Shanghai municipality and Pudong New Area regarding construction, fire prevention, environmental protection and industrial hygiene.
- Party A shall assist Party B in handling relevant review and approval formalities with competent governmental department. Party A shall not be responsible for any delay or loss arising out of the refusal or delay of competent governmental department to grant an approval upon such fitting-out.
- 112 Party B shall solely bear the financial and legal responsibilities for any and all property losses or personal injuries (if any) arising out of such fitting-out.
- 113 Party B shall make compensation for any and all losses of Party A or third party arising out of such interior fitting-out, division, reconstruction or installation of or for the Premises, and shall undertake the joint liabilities for any and all losses of Party A or third party incurred by the construction unit engaged by Party B.

XII. Restrictions on the Use of the Leased Premises

12.1 Restrictions on the Use of Leased Premises:

- 1211 Party B shall not change the intended purpose of the Premises, nor shall use the Leased Premises or any part thereof for residential purpose or other purpose or raise animals within the Premises;
 - 1212 Party B shall not occupy the part beyond the Leased Premises for whatever reasons without Party A's consent;
 - 1213 Party B shall not permit or allow the occurrence of any event or placement of any article within the Leased Premises which may cause any hindrance or interference to other adjoining tenant, Party A, Party A's customers or any right thereof, nor shall disturb other tenants in whatever manner;
 - 1214 Party B shall not place any logo or advertisement on the exterior wall or roof of Leased Premises, nor shall place the same facing the glass curtain wall within the Premises or conduct any activity, either commercial or noncommercial, under Party A's name;
 - 1215 Party B shall not transfer, donate, invest, enter into a cooperation in respect of, value and mortgage, pledge or otherwise dispose of the right to lease the Leased Premises;
 - 1216 Unless the special fire prevention approval is obtained for the dangerous articles and Party A's consent is also secured, Party B shall not store the flammable, explosive, toxic, hazardous, radioactive, contaminated materials or those articles which may produce excessive sound or irritating odor within the Leased Premises; during the Lease Term, Party B shall not produce any excessive sound or irritating odor, nor shall pollute the surroundings and the environment of Zhangjiang Hi-tech Park in whatever form;
 - 1217 Party B shall not create any danger or threat in whatever form to the surroundings, the assets within Zhangjiang Hi-tech Park and personal safety;
 - 1218 Party B shall not use the Leased Premises for any illegal or immoral activity.
- 12.2 Where Party B commits any of the said prohibited activities, Party A shall have the right to cancel this Contract in advance and withdraw the Leased Premises without refunding the performance bond already paid by Party B and pursue other breaching liabilities against Party B; where Party B breaches the said Article 12.1.6, Party A shall have the right to take necessary cleaning and remedial measures or make a report to relevant department without giving prior notice, for which Party B shall solely bear all responsibilities, expenses and losses arising thereby.
- 12.3 If any third party has recourse against Party A or Party B due to any of the said prohibited activities conducted by Party B, Party B shall be solely responsible for all direct losses incurred to such third party; if Party A is required by the court or arbitration institution to bear responsibilities to third party due to any of the said

prohibited activities conducted by Party B, Party A shall have the right to recover against Party B for its direct losses thus incurred. If necessary, Party B shall assist Party A in taking proper measures against the recourse from such third party.

- 12.4 Party B shall not damage the supporting facilities within the Premises in whatever manner, and, in the event of any such damage, shall make repair at its sole costs and expenses. If Party B fails to make timely repair, Party A may make such repair by itself or via a third party at Party B's sole costs and expenses. Unless otherwise agreed herein, the supporting facilities referred to herein shall include the interfaces for availability of electricity, water and telecommunications, rainwater drainage and sewage discharge, parking space, roads, elevators, stair aisle, etc. within the Park.
- 12.5 Party B shall not construct any additional building (structure) on the exterior wall and roof of the Leased Premises without any consent. Otherwise, the competent governmental department, Party A and Property Management Company shall have the right to require Party B to dismantle such additional building (structure) immediately and require Party B to bear all costs and compensate for all losses thus incurred. Where Party B rejects to dismantle such additional building (structure), the competent governmental department, Party A and Property Management Company shall have the right to engage a third party to dismantle it at Party B's sole costs and expenses. The public part related to the Premises and the environment within such Park shall be managed subject to the Property Management Convention. Party B shall use the Leased Premises in a manner which is compliant with the Property Management Convention.
- 12.6 Party B undertakes that, Party B and its agents, employees, servants, contractors, customers and visitors shall, at any time during the Lease Term, abide by all current and future laws, regulations and rules governing the Leased Premises or use thereof, governmental regulations or management rules, this Contract and relevant agreements. Otherwise, Party B must bear all financial and administrative liabilities for any and all losses thus incurred to Party A. Party B hereby undertakes and agrees to use the Leased Premises in good faith subject to this Contract so as to maintain and improve the good reputation of Party A and such Premises. To this end, Party B shall do its best endeavors to supervise the acts of its agents, employees, servants, contractors, customers and visitors within the Leased Premises and such Premises.

XIII. Maintenance and Works related to Supporting Facilities of the Premises

- 13.1 It is acknowledged that, Party A shall only bear the following overhaul costs incurred due to ordinary wear and tear of the Leased Premises during the Lease Term:

The overhaul shall apply to material damage to the structure of main body of the building, which affects the safety of the use thereof, renovation, seismic reinforcement, removal and reinforcement due to material damage to structure of main body (foundation, wall, column, beam, floor, roof, etc.) of the house, waterproof or insulation works due to damage to the roof covering of the whole building, repair due to abscission of outer wall surface layer which affects the safety and normal use, repair or renovation to security system, fire prevention system, high and low voltage power distribution system, public facilities and pipe networks which indeed belongs to the scope of overhaul to be conducted by Party A.

- 132 Except for the said overhaul works, Party B shall, during the Lease Term, be responsible for the maintenance and repair related to the Leased Premises and the facilities, equipment, furnishings, electronic appliances, etc. attached thereto at its own costs and expenses. During the Lease Term, Party B shall retain the ownership of the equipment, furnishings and electronic appliances added and replaced by Party B itself at its own costs and expenses. Unless otherwise agreed herein or by the parties hereto at that time, Party B shall, within thirty (30) days upon terminations of this Contract, remove the said equipment, furnishings and electronic appliances out of the Leased Premises. Otherwise, Party B shall be deemed to have abandoned the ownership thereof and Party A shall have the right to dispose of such equipment, furnishings and electronic appliances at its own discretion without any liability.
- 133 Party A shall have the right to inspect the Leased Premises by giving a prior written notice to Party B. If Party B is discovered to have failed to properly repair or maintain the Leased Premises, Party A shall have the right to require Party B to make rectification. Where Party B rejects or delays to make such rectification, Party A shall have the right to repair and maintain the Leased Premises on its own at Party B's sole costs and expenses, and in addition, Party A shall have the right to deduct the said costs and expenses from the performance bond already paid by Party B.
- 134 Party B shall conduct physical management over the fixed assets provided by Party A and shall repair and maintain the same excluding those which should be overhauled by Party A hereunder.
- 135 Party B shall not dispose of the fixed assets provided by Party A without any consent. No change, removal or alteration of such fixed assets shall be made unless Party A's written consent is obtained.
- 136 Where Party A intends to conduct some works related to supporting facilities within the Leased Premises, Party A shall notify the same to Party B in advance and Party B shall provide certain assistance therefor. Party A shall make repairs at its own expenses in the event of any damage to Party B's machine or equipment due to the said works.

XIV. Party B's Obligation related to Production Safety

- 141 Party B shall deal with the safety, security, fire protection and anti-theft affairs related to the Leased Premises, and shall take reasonable preventive measures to avoid the fire and other tremendous accidents. In the event of any similar event, Party B shall bear all its losses and compensate for all losses thus incurred to Party A or other third party.
- 142 Where the governmental department finds upon inspection that the Leased Premises may cause safety, health or fire hazards for Party B's reason, Party B shall make a timely rectification. Otherwise, Party A shall make such rectification for Party B at Party B's sole costs and expenses. Party A may deduct the said costs and expenses from the performance bond already by Party B and shall notify Party B to make supplement to such performance bond; if Party A cannot make such rectification for Party B, Party A shall have the right to suspend the use of the Premises until and unless the aforesaid hazards are eliminated and Party B shall compensate for all losses thus incurred to Party A, Party B or other third party.

- 143 Where Party B breaches any provision of the Letter of Undertaking on Production Safety or Letter of Undertaking on Fire Safety, thus causing production safety accident or fire safety accident, Party A shall have the right to terminate this Contract immediately without refunding the performance bond already paid by Party B. Where Party A decides not to terminate this Contract with immediate effect, Party A shall also have the right to require the liquidated damages equivalent to the performance bond from Party B.

XV. Industrial and Commercial Registration

- 15.1 Party B shall, within thirty (30) days upon expiry of the Lease Term or termination of this Contract, apply to the relevant industrial and commercial authority and other departments for change of registered address, and shall, within ninety (90) days upon expiry of the Lease Term or termination of this Contract, complete the industrial and commercial registration formalities related to removal out of the address of the Premises hereunder. Otherwise, Party B shall bear the breaching liabilities and pay the liquidated damages to Party A (liquidated damages = daily liquidated damages agreed hereunder * number of calendar days from the 90th day upon expiry or termination of this Contract to the date when Party B actually completes the industrial and commercial registration formalities related to removal out of the address of the Premises hereunder).

XVI. Renewal, Termination and Unilateral Termination of this Contract in advance

- 161 Where Party B intends to renew this Contract upon expiry of the Lease Term, Party B shall submit a written application and relevant documents to Party A no later than three (3) months prior to the Lease Term and then execute a renewal contract with Party A through mutual negotiation. Where no agreement is concluded prior to the last month during the Lease Term, it shall be deemed that Party B will not renew this Contract. At that time, Party A shall have the right to make preparations for leasing out the Premises to another lessee, including but not limited to leading the potential lessee to visit such Leased Premises and conduct reasonable inspection over the Leased Premises at some time or any other reasonable time previously agreed with Party B, for which Party B shall provide cooperation, provided that Party B's normal operation shall not be in any way affected.
- 162 If Party B intends not to renew this Contract upon expiry of the Lease Term, Party B shall notify the same in writing to Party A no later than three (3) months prior to expiry of the Lease Term. Should Party B fail to submit a written application for renewal within the agreed time limit, it shall be deemed that Party B will not renew this Contract.
- 163 Where either party requires to terminate this Contract in advance without statutory reason or contractual basis, such party shall notify the same to the other party in writing three (3) months in advance and bear the liquidated damages equivalent to 3-month rent without any other breaching liability therefor and then this Contract shall terminate on the termination date indicated in the said notice.
- 164 At the time of expiry of the Lease Term or termination of this Contract, Party A shall have the right to withdraw the whole Leased Premises and Party B shall return the same to Party A on schedule. Should Party A fail to withdraw the Leased Premises

as agreed hereunder at the time of expiry of the Lease Term or termination of this Contract for the reasons attributable to Party B, Party B shall pay Party A the rent or occupancy fees based on the market price (no less than 1.5 times the original rent) prevailing at the time of such failure in addition to the liquidated damages.

XVII. Surrender and Restoration

17.1 Obligation to restore the Premises:

- 17.1.1 At the time of expiry of the Lease Term or termination of this Contract, Party B shall restore the Leased Premises into the same condition of such Premises as delivered to Lessee, or, if the conditions of such Premises as delivered to Lessee cannot be determinable, to rough condition, by removing the furnishings and ancillary facilities (if any) added by Party B.
- 17.1.2 Should Party B reject to restore the Leased Premises into the same condition of such Premises as delivered to Lessee, Party A shall have the right to restore the Premises by itself or engage a third party to do so at Party B's sole costs and expenses. Party A has the right to deduct the said costs and expenses from the performance bond already by Party B. Where such performance bond cannot cover the said costs and expenses, Party B shall separately pay Party A the difference arising therefrom.

17.2 Party B shall, within fifteen (15) days upon expiry of the Lease Term or termination of this Contract, empty the Leased Premises and complete the surrender procedures. When the Leased Premises are surrendered, both parties hereto shall jointly inspect the Leased Premises and the facilities attached thereto and Party B shall make compensation for any damage thereto (excluding ordinary wear and tear) according to the purchase price.

17.3 Disposal of Additions and Derelict

Party B agrees that, after the Leased Premises are surrendered to Party A, Party A shall make no compensation or indemnification in whatever form as to the additions made by Party B. Party A shall question Party B about whether to abandon the ownership of and right to access the articles, facilities, equipment, etc. (if any) left by Party B within the Premises. Should Party A fail to reach Party B via the contact information listed herein or should Party B fail to make a clear reply in this regard or should Party B still fail to collect such articles, facilities, equipment, etc. upon receipt of a reminder notice from Party A regardless of the fact that Party B has indicated that it will not abandon the said ownership and access right, Party B shall be automatically deemed to have abandoned such ownership of and right to access such articles, facilities, equipment, etc., of which Party A may dispose at Party A's sole discretion and all losses thus incurred to Party B or any third party shall be borne by Party B. In this regard, Party B shall have no recourse against Party A; if any third party makes a claim against Party A due to Party A's disposal of such articles, facilities and equipment, Party B shall compensate for all losses thus incurred to Party A. Where, upon expiry or sooner termination of this Contract, Party B fails to empty the Premises and assist in going through the surrender procedures regardless of the fact that it hasn't conducted its operational business within the Leased Premises, Party A shall have the right to move Party B's articles to another place so that the Premises is rentable. Should Party

B fail to go through the surrender procedures for more than three (3) months, Party A shall have the right to sell or otherwise dispose of Party B's articles.

XVIII. Breaching Liability and Exclusions

- 181 It is agreed that, during the Lease Term, neither party shall be responsible for the termination of this Contract under any of the following circumstances:
- 18.1.1 If the right to use the land where the Premises locate is withdrawn by the State in advance according to law;
 - 18.1.2 If the Premises are subject to expropriation or requisition according to law for public interests;
 - 18.1.3 If the Premises are to be demolished by law due to urban construction demand;
 - 18.1.4 If the Premises suffer from any damage or loss for the reasons not attributable to Party A or Party B or are identified as dangerous building or cannot be repaired so that the Premises become rentable;
 - 18.1.5 If the Premises are now being disposed of because such Premises have been subject to mortgage prior to the lease thereof as notified to Party B.
- 182 Under any of the following circumstances, Party A shall be deemed to have breached this Contract, except as otherwise specified herein:
- 18.2.1 If Party A fails to provide the Leased Premises within the time limit specified herein;
 - 18.2.2 If Party A conducts any works within the Leased Premises without prior notice to Party B, thus causing any damage to Party B's equipment;
 - 18.2.3 If Party A breaches other provisions of this Contract.
- 183 Under any of the following circumstances, Party B shall be deemed to have breached this Contract, except as otherwise specified herein:
- 18.3.1 If Party B causes any damage to various supporting facilities;
 - 18.3.2 If Party B changes the intended purpose of the Premises or alters the building structure, which affects others' normal use of or damages the Premises;
 - 18.3.3 If Party B fails to surrender the Premises to Party A as agreed upon expiry of the Lease Term or early termination of this Contract;
 - 18.3.4 If Party B fails to migrate its registered address out of the Leased Premises timely as agreed upon termination of this Contract;

- 1835 If Party B fails to pay off the rent and other expenses on schedule;
- 1836 If Party B fails to conduct the fitting-out of the Premises and enter the Premises as agreed;
- 1837 If Party B breaches other provisions of this Contract.
- 184 Either party which defaults under this Contract shall pay the liquidated damages to the non-defaulting party. Unless otherwise agreed hereunder, the defaulting party shall bear the liquidated damages on a daily basis (Please refer to the contractual terms and conditions for details) for its default under this Contract (other than the payment obligation set out herein); the number of days during which such default lasts refers to the period from the actual occurrence of such default to the date when such default is rectified; amount of liquidated damages = daily liquidated damages * the number of days during which such default lasts.
- 185 Should Party B fail to pay off the rent and other expenses on schedule, Party B shall pay the liquidated damages equivalent to 1‰ of the sums due but unpaid for each delay day. Where such failure lasts for more than sixty (60) days, Party A shall have the right to cancel this Contract and withdraw the Leased Premises without refunding the performance bond and at the same time, Party B shall bear other corresponding breaching liabilities. Should Party B fail to pay off the rent or utility fee for more than sixty (60) days, Party A shall have the right to notify the Property Management Company to suspend the availability of water, electricity, gas, telecommunications, etc. immediately and Party B shall solely bear all losses (if any) thus incurred to Party B or the sub-lessee.
- 186 Where such liquidated damages cannot cover the financial losses incurred to the non-defaulting party due to the breach by either party, the defaulting party shall make the compensation for the difference arising therefrom, which shall be calculated at actuals and agreed by both parties hereto according to the severity of such financial losses, or otherwise determined by a professional third party jointly designated by Party A and Party B.
- 187 The liquidated damages and compensation shall be paid no later than ten (10) days after the defaulting party is informed of such payment thereof; if the default is continuing on or subsequent to the payment date of such liquidated damages and compensation, such liquidated damages and compensation shall be paid off no later than the end of the month when the default is continuing. In case of any breach by Party B, Party A shall have the right to first deduct corresponding liquidated damages or compensation from the performance bond already paid by Party B, and Party B shall pay Party A the difference (if any) arising therefrom pursuant to this Contract. The payment of liquidated damages and compensation shall be made in RMB.
- 188 Party B acknowledges that Party A shall not bear compensation and other legal responsibilities to Party B (including Party B's employees, agents, servants, contractors, visitors, etc.) and any third party including the sub-lessee(s) for any and all losses caused by various events which have occurred for the reasons not attributable to Party A, including but not limited to:
- 1881 Suspension of the availability of public facilities for necessary repair and

maintenance of the building and for the reasons not attributable to Party A (including unexpected failure of facilities, including but not limited to air conditioner, power system, gas system, etc.);

- 1882 Any financial loss of or any damage, disturbance or inconvenience to Party B or any other third party due to any defect or failure of the elevators, escalators, fire protection equipment, security equipment, air conditioners or other equipment;
- 1883 Any financial loss of or damage to Party B or any other third party due to the failure or suspension or interruption of water, electricity, gas and telecommunications systems caused by force majeure events or competent electricity, power, water and telecommunications authorities or due to ordinary maintenance of systems, lines, facilities and equipment, or for the reasons not attributable to Party A;
- 1884 Any financial loss of or damage to Party B or any other third party arising out of water overflow or leakage, smoke, fire or leakage of any other substances or articles caused for the reasons not attributable to Party A;
- 1885 Any financial loss of or damage to Party B or any other third party arising out of the penetration of rain or any other kind of water into any part of the Leased Premises caused for the reasons not attributable to Party A;
- 1886 Any financial loss of or damage to Party B or any other third party arising out of the mice, termites, cockroaches and other insect pests regardless of the fact that Party A or the Property Management Company has taken necessary safeguarding measures;
- 1887 Any financial loss of or damage to Party B or any other third party arising out of the theft, robbery and other malicious trespass;
- 1888 Any other financial loss of or damage to Party B or any other third party for the reasons not attributable to Party A.

XIX. Miscellaneous

- 19.1 No Waiver: Party B understands and agrees that, if Party A accepts the rent in the event of any default on the part of Party B under this Contract, it shall not operate as a waiver by Party A of such default. Where Party B pays or Party A accepts the rent or other sums less than the amount specified herein, it shall not constitute Party B's approval upon such underpayment, nor shall affect Party A's right to recover the rent or sums in arrears and other rights which Party A is entitled to under this Contract and at law. In addition, no failure to exercise or delay by Party A in exercising any of its right hereunder shall be construed as a waiver of such right. No waiver by Party A of any of its rights shall be effective unless made in writing and signed by Party A.
- 19.2 Force Majeure Events: Where either party is unable to perform this Contract as agreed due to any force majeure event during the Lease Term, such affected party shall immediately notify the same to the other party and shall, within fifteen (15) days upon occurrence of such force majeure event, provide the other party with the details

thereof or valid certification documents justifying such failure to perform this Contract in whole or in part or such delay in performing this Contract. The parties hereto shall negotiate to decide to cancel this Contract, partially exempt the performance of this Contract or delay in performing this Contract according to the influence of such force majeure event upon the performance of this Contract. Such force majeure events shall include without limitation the war, strike, disturbances, epidemics, earthquakes, terrorist acts, fire, governmental acts or restrictions, typhoon and extreme bad weather and flood, etc.

- 19.3 Jurisdiction: Any dispute arising out of the performance of this Contract shall be resolved by the parties hereto through mutual negotiation. If no agreement is concluded through such negotiation, please lodge a lawsuit to the people's court where the Premises locate.
- 19.4 Notices: Any and all documents such as reminder notices given by either party hereunder may be sent via registered letter or EMS to the registered address or actual office address or the address indicated herein of the other party and shall be deemed to have been properly served on the next day after they are sent via registered letter or EMS, regardless of the fact that whether they are actually received by the recipient.
- 19.5 Partial Validity: Where any provision of this Contract is held invalid or illegal in any aspect, such invalidity or illegality shall not affect the validity and legality of other provisions hereof.
- 19.6 Standard Terms and Conditions and Contractual Terms and Conditions: The standard terms and conditions under this Contract and those contractual terms and conditions detailed above shall be legally binding and jointly constitute the Housing Lease Contract. Matters not covered herein shall be resolved by the parties hereto through mutual negotiation via a separate written agreement, which shall constitute an integral part of this Contract and shall have the same legal force with this Contract upon signatures of Party A and Party B.
- 19.7 Effectiveness: This Contract shall be written in Chinese and made in four counterparts, with Party A and Party B holding two respectively and shall take effect upon signatures of Party A and Party B

IT IS HEREBY ACKNOWLEDGED THAT:

AT THE TIME OF EXECUTION OF THIS CONTRACT, PARTY A HAS REMINDED PARTY B TO READ THE PROVISIONS REGARDING LIMIT OF LIABILITY OR RESTRICTIONS ON RIGHT AND MADE FULL INTERPRETATION AND CLARIFICATION WITH RESPECT TO THIS CONTRACT. THE AMENDMENT OR SUPPLEMENT MADE (IF ANY) BY THE PARTIES HERETO IS DETAILED UNDER THE CONTRACTUAL TERMS AND CONDITIONS OF THIS CONTRACT. UPON FULL REVIEW OF THIS CONTRACT AND DISCUSSION WITH PARTY A, PARTY B HAS NO QUESTION OR DISPUTE ABOUT ALL THE TERMS AND CONDITIONS OF THIS CONTRACT (INCLUDING STANDARD TERMS AND CONDITIONS AND CONTRACTUAL TERMS AND CONDITIONS) AND RELEVANT APPENDICES HERETO AND HAVE ACCURATELY AND CORRECTLY UNDERSTOOD THE LEGAL MEANINGS OF THE PROVISIONS REGARDING PARTY B'S RIGHTS, OBLIGATIONS AND RESPONSIBILITIES HEREUNDER.

FOR AND ON BEHALF OF PARTY A:

Party A: Shanghai Zhangjiang Group Co., Ltd. (Seal)

Authorized Representative:

Seal:

FOR AND ON BEHALF OF PARTY B:

Party B: ACM Research (Shanghai) Inc.

Authorized Representative: Hui Wang (Signature)

Seal:

Signed on:

Signed in: Zhangjiang Hi-tech Park, Pudong New Area, Shanghai, China



Business License of Legal Entity

(Duplicate)

Uniform Social Credit Code: 91310000774331663A

License No.: 41000002201511260028

**China (Shanghai) Pilot Free
Trade Zone**

Name of company ACM Research (Shanghai), Inc.

Type of company Limited liability company (Sino-foreign joint venture)

Domicile Building 4, No.1690 Cailun Road, China ((Shanghai) Pilot Free
Trade Zone

**Name of legal
representative** HUI WANG

Registered capital RMB 213.12495mn

Date of founding May 17, 2005

Duration May 17, 2005 to May 16, 2035

Business scope Designing, production and processing of the electronic special
equipment and their parts; selling of the Company's self-
produced products; and provision of after-sales technical
service and consulting service (subject to approvals from
related authority, if required by law)



Registration authority:

Pilot Free Trade Zone Branch, Shanghai
Administration for Industry and Commerce (seal)



November 26, 2015

13. We shall act in strict accordance with the principles of "three concurrences (i.e. the construction projects shall be designed, constructed and put into production and use simultaneously) in safety" of construction projects and shall not build or construct any structure during the Lease Term.

14. We shall participate in various safety activities and training organized by Shanghai Zhangjiang Group Co., Ltd.

15. We shall accept the safety inspection by Shanghai Zhangjiang Group Co., Ltd. and make timely rectification as to the inspection findings.

Shanghai Zhangjiang Group Co., Ltd. is kindly advised to supervise our fulfillment of the undertakings stated above. Should we fail to fulfill any of the above undertakings, we shall unconditionally and be willing to accept the punishment by safety management department and bear the breaching liabilities in accordance with the Housing Lease Contract concluded with your Company. In case of any safety accident, we shall be willing to bear relevant legal responsibilities and consequences arising therefrom and proactively make compensation for any and all losses thus incurred to your Company and third party.



Stated by:

Legal Representative:

(Signature) Date:

HUI
WANG

Letter of Undertaking on Fire Safety

Shanghai Zhangjiang Group Co., Ltd.:

In order to ensure the fire safety and prevent fire accident, we hereby solemnly make the following undertakings:

- I. We shall conscientiously maintain and carry out the system of fire safety responsibilities, define the responsible person of fire safety and fire safety manager and their respective duties and responsibilities, and enhance the fire safety management so as to avoid the occurrence of fire accident.
- II. Any reconstruction, extension or decoration to the Premises by us shall be subject to the prior approval of fire authority, your Company and Property Management Company.
- III. We shall regularly conduct the fire inspection to timely eliminate the fire hazards and conduct daily fire prevention patrol during business hours;
- IV. We shall not use naked fire or use fire for construction within the Premises and shall act in strict accordance with the Operating Permit and shall apply for the Operating Permit(s) and take relevant measures for such special works related to fire, sealed space, temporary power, high-altitude operation or groundbreaking operation in strict accordance with the procedures.
- V. No staff's dormitory shall be arranged within the Premises. No personnel shall stay overnight within the Premises.
- VI. We shall place the logos regarding the fire facilities, equipment and evacuation in strict accordance with the national regulations and frequently repair and maintain the same to ensure their intactness. We shall not destroy, divert, remove or disable the fire facilities and equipment without any consent and, in the event of any failure of fire hydrant and fire extinguisher and any damage to automatic fire extinguishing or automatic alarm system, shall timely make repairs or report the same to your Company or the Property Management Company designated by your Company.
- VII. We shall not occupy or block the evacuation passage or close the fire exit to keep the evacuation passage and fire exit unblocked and shall not set any glass, mirror, etc. at the evacuation passage or fire exit which may be prone to make the evacuation misleading.
- VIII. We shall enhance the management over the fire, electricity, oil and gas and shall not pull or connect the wires without previous permission, and shall not use, store and sell the inflammable and explosive dangerous chemicals within the Premises, or set off firecrackers within the Premises or the public area where the Premises locate.
- IX. We shall not use any soft bag, carpet, sofa, curtain, etc. made of polyurethane foaming plastics and other combustible materials or without fire retarding treatment for the fitting-out of the Premises;
- X. We shall develop and continuously improve our fire fighting and emergency evacuation

and rescue plan and regularly conduct fire prevention education and fire evacuation drills so as to continuously improve the fire awareness, self-prevention and self-rescue knowledge and skills of our employees about guiding the visitors for evacuation .

- XI. We shall diligently participate in various safety activities and training organized by Shanghai Zhangjiang Group Co., Ltd. and accept and assist in the safety inspection conducted by Shanghai Zhangjiang Group Co., Ltd..
- XII. We shall designate special persons to be responsible for the fire hazards found out during the supervision inspection by the fire fighting department of public security organ, your safety inspection and our self-inspection and proactively input the funds, manpower and material resources to make rectification in strict accordance with the requirements;
- XIII. In the event of fire accident, we shall immediately carry out fire fighting and rescue work and be responsible for safeguarding post-disaster scene and assist fire fighting department in investigating the reasons for such fire accident.
- XIV. Should we fail to perform any of the above undertakings, we shall unconditionally and be willing to accept the punishment by fire fighting department and bear the breaching liabilities in accordance with the Housing Lease Contract concluded with your Company. In case of any fire accident, we shall be willing to bear relevant legal responsibilities and consequences arising therefrom and proactively make compensation for any and all losses thus incurred to your Company and third party.

Undertaker: (common seal)



Legal Representative: (signature)

Date:

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, David H. Wang, certify that:

1. I have reviewed this Amendment No. 1 on Form 10-Q/A to the Quarterly Report on Form 10-Q of ACM Research, Inc. for the quarterly period ended June 30, 2018 (as so amended, “this quarterly report”).
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report.

Dated: October 15, 2018

By: /s/ DAVID H. WANG
David H. Wang
Chief Executive Officer and President
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Lisa Feng, certify that:

1. I have reviewed this Amendment No. 1 on Form 10-Q/A to the Quarterly Report on Form 10-Q of ACM Research, Inc. for the quarterly period ended June 30, 2018 (as so amended, “this quarterly report”).
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report.

Dated: October 15, 2018

By /s/ LISA FENG
Lisa Feng
Interim Chief Financial Officer, Chief Accounting Officer and Treasurer
(Principal Financial Officer)
