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*This announcement, for which the directors (the “**Director(s)**”) of CCID Consulting Company Limited* (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

CCID Consulting

賽迪顧問股份有限公司

CCID CONSULTING COMPANY LIMITED*

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

(Stock code: 08235)

www.ccidconsulting.com

CONNECTED TRANSACTION

**ENTERING INTO FUND PARTNERSHIP AGREEMENT IN RELATION
TO ESTABLISHMENT OF INVESTMENT FUND**

FUND PARTNERSHIP AGREEMENT

The Board is pleased to announce that on 25 November 2020, the Company entered into the Fund Partnership Agreement in relation to the establishment of the Fund that is expected to reach a total capital contribution of RMB30 million with an initial capital contribution of RMB6 million upon subscription, pursuant to which, the Company (as Limited Partner), the Exchange Center (as Limited Partner), Xiachuan Capital (as Limited Partner) and CCID Tiandi (as General Partner) have agreed to subscribe for the fund interests of RMB8.40 million, RMB15.30 million, RMB6 million and RMB0.3 million, respectively. CCID Tiandi also serves as the Fund manager.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CCID Group Co. is a company ultimately controlled by CCID, the controlling shareholder of the Company which indirectly holds 491,000,000 domestic shares of the Company through Research Center and Beijing CCID Riyue Investment Co., Ltd, representing approximately 70.14% of the issued share capital of the Company. Therefore, CCID Group Co. is a connected person of the Company. Being a wholly-owned subsidiary of CCID Group Co., CCID Tiandi is an associate of CCID, and thus also a connected person of the Company. In addition, Exchange Center is wholly-owned by CCID, and therefore also a connected person of the Company. The establishment of the Fund constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 20.74(2) of the GEM Listing Rules) in respect of the transaction contemplated under the Fund Partnership Agreement exceeds 0.1% but is less than 5%, the transaction contemplated under the Fund Partnership Agreement are subject to the reporting, annual review and announcement requirements but exempt from the circular and independent shareholders' approval requirement under Chapter 20 of the GEM Listing Rules.

PRINCIPAL TERMS OF FUND PARTNERSHIP AGREEMENT

- Name:** CCID Strategic Emerging Industry Investment Fund Partnership (Limited Partnership)* (賽迪戰略新興產業股權投資基金合夥企業(有限合夥))
- Contributed Capital:** RMB6 million upon completion of the initial subscription, in which case, the expected total capital contribution will be RMB30 million.
- All partners will make capital contribution by cash. Each of the partners shall, within 5 working days upon receiving the notice of capital contribution served by the General Partner, make a full payment of the amount as specified in the notice of capital contribution to the fundraising account designated by the partnership.
- Fund Manager:** CCID Tiandi
- General Partner:** CCID Tiandi
- Executive Partner:** CCID Tiandi

Limited Partners: (1) the Company, (2) Exchange Center and (3) Xiachuan Capital

To the best of the Directors' knowledge, information, and belief after having made all reasonable inquiries, as at the date of this announcement, the other Limited Partners of the Fund other than CCID Tiandi and Exchange Center, being Xiachuan Capital and its ultimate beneficial owners, are Independent Third Parties.

Valid Duration: The partnership registration period is tentatively set at 9 years (subject to the partnership period finally approved by the enterprise registration authority (企業登記機關)), including an investment period of 3 years, and an exit period of 4 to 5 years, and the period subsequent to 5 years of the establishment of the Fund will be the extension period.

Prior to 3 months upon expiration of the period of the Fund, the Fund manager may determine that the period of the Fund can be extended but not exceed 2 years for each extension, which may be extended up to twice, and inform other partners of the same in writing. Following two extensions by the Fund manager of the period of the Fund, the partnership period of the Fund cannot be further extended unless it is approved at the general meeting of the partners.

Purpose: The Fund aims to generate investment returns in favor of the partners by managing investment projects that invest in the enterprises that enjoy a promising market landscape and have the independent capability to innovate, while focusing on new generation of information technology industry, advanced equipment manufacturing industry, biological industry and other national strategic emerging industries.

Investment Scope: Equity investments focus on the enterprises that meet any of the following conditions:

- (1) The industries where any enterprise operates are part of the new generation of information technology industry, advanced equipment manufacturing industry, advanced materials industry, biological industry and other national strategic emerging industries;

- (2) Any enterprise that introduces technologies, services, production values, and other resources into Jiangxia District, Wuhan;
- (3) Any enterprise that is registered or sets up its branch in Jiangxia District, Wuhan; and
- (4) Any enterprise unanimously recognized by the partners.

PROPOSED CAPITAL CONTRIBUTION

Set forth below are details of the proposed capital contribution made by each partner of the Fund:

Name	Type	Total contributed capital (RMB10,000)	Percentage (%)
The Company	Limited partner	840	28
Exchange Center	Limited partner	1,530	51
Xiachuan Capital	Limited partner	600	20
CCID Tiandi	General partner	30	1
	Total:	3,000	100

The above contributed capital is determined by all parties to the Fund Partnership Agreement after an arm's length negotiation with reference to their respective interests in the Fund, as well as the investment targets of the Fund.

The partners shall make the initial capital contribution of RMB6 million as specified in the notice of capital contribution to be served by the Fund manager, among which, the Exchange Center and the Company shall contribute RMB3.06 million and RMB1.68 million, respectively.

The Company will finance its capital contribution by using its own internal resources.

OTHER SIGNIFICANT ARRANGEMENT IN RESPECT OF THE FUND

A. Management and decision-making

Fund Manager

The partners as a whole agree that the Executive Partner will serve as the manager of the Fund, who will be vested with the powers to manage, control, operate and formulate strategies in respect of the Fund and, its investment business and other activities. These powers will be directly exercised by the Executive Partner or exercised by its proxy so appointed.

Investment Committee

The Fund establishes an investment committee (the “**Investment Committee**”), which is comprised of three members in total and appointed by CCID Tiandi. Each member shall carry one vote, in which case, unless otherwise agreed, any matters submitted to the Investment Committee for the decision making purposes shall be approved by two thirds or above of the members by way of poll. The Investment Committee will determine the final decision as to the investment matter, pursuant to which the Executive Partner will deliver, implement, and effectuate the decision and order.

In case of any connected transaction entered into between the Fund and the associates, the Executive Partner shall, prior to occurrence of the connected transaction, submit in writing the relevant documents, transactional means, prices, pricing basis, and other information to the Investment Committee, and such connected transaction may not take effect until the Investment Committee approves by way of poll. Where any member of the Investment Committee is interested in the connected transaction, the relevant member shall abstain from casting the vote, and unanimous agreement between the remaining members shall be required for a valid decision. Where the Investment Committee fails to arrive at a valid decision by means of meeting as two or more members are required to abstain from casting their votes, the Executive Partner shall submit the connected transaction to the general meeting of the partners for consideration and voting.

B. Management fees

The management fee shall be based on the actual capital amount contributed by the partners to the Fund, which shall be collected by the Fund manager for each accounting year. As for the management fee, the annual rate is set at 2% for the investment period and 1% for the exit period, while no management fee is collected during the extension period. In addition to management fee, the manager is entitled to the performance-based compensation according to a specific percentage of the gains from the Fund investments.

C. Performance-based compensation

Gains generated from dissolution or liquidation of the Fund will be allocated in the following orders: (1) to all Limited Partners based on the percentage of actual capital contribution by these Limited Partners until they reclaim the entire actual capital contribution from the Fund; (2) to the General Partner based on the percentage of actual capital contribution by the General Partner until it reclaims the entire actual capital contribution from the Fund; (3) in case that there is a remaining balance, to the Limited Partners until their gains reach the annual yield equivalent to 6% of the actual capital contribution; (4) then to the General Partner until its gains reach the annual yield equivalent to 6% of the actual capital contribution; and (5) in case that there is still a remaining balance, the Limited Partners of the Fund may receive 80% of the remaining investment gains based on the percentage of actual capital contribution, while the General Partner of the Fund may receive the remaining 20%.

D. Profit distribution and loss sharing

Within 30 days following the exit from the project in whole or in part, the fund so reclaimed will, after the relevant taxation as provided under the law governing the Fund is paid, deducting the project costs (including capital contribution) of the agreement, withholding fees required to maintain the operation of the Fund and other necessary expenses, be distributed to all partners based on the percentage of actual capital contribution (or based on the resolution at the latest general meeting of the partners or relevant agreement if subsequently there is a resolution at the general meeting of the partners or a specific provision as contained such relevant agreement), except that these distributions shall be in compliance with the registration requirements set by the administration for industry and commerce, as well as filing requirements set by the Asset Management Association of China.

Any loss incurred during the valid duration of the Fund shall be shared by all partners as a whole based on their percentage of capital contribution, but any loss that exceeds the total capital contribution of all partners as a whole shall be borne by the General Partner. The debts incurred during the valid duration of the Fund shall be settled off by all properties of the Fund, and the General Partner shall assume the unlimited joint and several liabilities for any due debt that cannot be settled.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CCID Group Co. is a company ultimately controlled by CCID, the controlling shareholder of the Company which indirectly holds 491,000,000 domestic shares of the Company through Research Center and Beijing CCID Riyue Investment Co., Ltd, representing approximately 70.14% of the issued share capital of the Company. Therefore, CCID Group Co. is a connected person of the Company. Being a wholly-owned subsidiary of CCID Group Co., CCID Tiandi is an associate of CCID, and thus also a connected person of the Company. In addition,

Exchange Center is wholly-owned by CCID, and therefore also a connected person of the Company. The establishment of the Fund constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 20.74(2) of the GEM Listing Rules) in respect of the transaction contemplated under the Fund Partnership Agreement exceeds 0.1% but is less than 5%, the transaction contemplated under the Fund Partnership Agreement are subject to the reporting, annual review and announcement requirements but exempt from the circular and independent shareholders' approval requirement under Chapter 20 of the GEM Listing Rules.

REASONS FOR AND BENEFITS OF ENTERING INTO THE FUND PARTNERSHIP AGREEMENT

The establishment of the Fund by entering into the Fund Partnership Agreement will not only diversify the Company's investment structure to make rational use of idle funds, but also obtain reasonable and long-term investment income, thus creating better income and investment returns for the Company and its shareholders.

The Directors (including the independent non-executive Directors) considers that the terms of the transaction mentioned above are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

Among the Directors, (i) Ms. Xia Lin is the chief investment advisor of CCID Group Co. and the chairlady and general manager of CCID Tiandi, and (ii) Mr. Qin Hailin is the general manager of CCID Group Co., and therefore they are considered to have material interests in the transactions contemplated under the Fund Partnership Agreement. Ms. Xia Lin and Mr. Qin Hailin had abstained from voting on the resolution in respect of the investment in the Fund at the meeting of the Board. Save as disclosed above, none of other Directors is required to abstain or had abstained from voting on the Board resolutions approving the entering into of the Fund Partnership Agreement pursuant to the articles of association and the GEM Listing Rules.

GENERAL

The Group

It mainly provides management and strategy consultation, market consultation, urban economic development and industrial planning, investment and financing, information consultancy and information engineering supervision services.

Exchange Center

It is mainly engaged in the electronics industry, carrying out domestic and foreign scientific and technological exchanges and exhibitions; electronic technology development and transfer of scientific and technological results, and other businesses.

CCID indirectly holds 491,000,000 domestic shares of the Company through Research Center and Beijing CCID Riyue Investment Co., Ltd, representing approximately 70.14% of the issued share capital of the Company. The Exchange Center is wholly-owned by CCID, and thus is a connected person of the Company.

Xiachuan Capital

It is mainly engaged in asset management and entrusted asset management, equity and debt investment, high-tech industry and cultural industry investment, and other businesses.

The ultimate beneficial owner of Xiachuan Capital is State-owned Assets Supervision and Administration Bureau of Jiangxia District, Wuhan City, Hubei Province (湖北省武漢市江夏區人民政府國有資產監督管理局). To the best knowledge of the Directors after having made all reasonable enquiries, Xiachuan Capital and its ultimate beneficial owners are Independent Third Parties.

CCID Tiandi

It is mainly engaged in equity investment management and other businesses.

CCID Tiandi is a wholly-owned subsidiary of CCID Group Co., the ultimate controlling company of which is CCID, a controlling shareholder of the Company. Therefore, CCID Tiandi is an associate of CCID, as well as a connected person of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“Board”	the board of director(s) of the Company
“CCID”	China Center of Information Industry Development* (中國電子信息產業發展研究院), a research institution focusing on information technology industry, established as a legal person by, and under the supervision of, the Ministry of Industry and Information Technology of the PRC
“CCID Group Co.”	CCID Academy for Industry and Information Technology Limited* (賽迪工業和信息化研究院(集團)有限公司), a company incorporated in accordance with the laws of the PRC, and a company ultimately controlled by CCID as at the date of this announcement
“CCID Tiandi”	Beijing CCID Tiandi Investment Management Company Limited* (北京賽迪天地投資管理有限公司)

“Company”	CCID Consulting Company Limited* (賽迪顧問股份有限公司), a joint stock limited liability company established in the PRC whose H Shares are currently listed on GEM (stock code: 8235)
“connected person(s)”	shall have the meaning ascribed to it under the GEM Listing Rules
“connected transaction(s)”	shall have the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Exchange Center”	China Electronic Science and Technology Exchange Center* (中國電子工業科學技術交流中心)
“Fund”	CCID Strategic Emerging Industry Investment Fund Partnership (Limited Partnership)* (賽迪戰略新興產業股權投資基金合夥企業(有限合夥))
“Fund Partnership Agreement”	the fund investment partnership agreement dated 25 November 2020 and entered into among the Company, Exchange Center, Xiachuan Capital, and CCID Tiandi, further details of which are set forth under the section headed “Principal Terms of Fund Partnership Agreement”
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Independent Third Parties”	all parties that are not connected parties of the Company to the best knowledge of the Directors having made all reasonable inquiries
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC, and Taiwan
“Research Center”	Research Center of Ministry of Industry and Information Technology Computer and Microelectronics Industry Development (China Software Testing Center)* (工業和信息化部計算機與微電子發展研究中心(中國軟件評測中心))
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Xiachuan Capital” Hubei Xiachuan Venture Capital Management Limited* (湖北夏創資本投資管理有限公司)

“%” per cent

By Order of the Board
CCID Consulting Company Limited*
Xia Lin
Chairman

Beijing, the PRC, 25 November 2020

As at the date of this announcement, the Board comprises one executive Director namely Ms. Xia Lin, one non-executive Director namely Mr. Qin Hailin and three independent non-executive Directors namely Mr. Guo Xiping, Ms. Li Xuemei and Mr. Chen Yung-cheng.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least seven days from the date of its posting and on the “Investor Relations” page of the Company’s website at www.ccidconsulting.com.

* *For identification purposes only*