

- 政府決策第一智庫
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# 思維創造世界

First Quarterly Report 2014



## **CCIDConsulting**

### CCID Consulting Company Limited

(A joint stock limited company incorporated in the People's Republic of China)

Stock Code: 8235



## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristic of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of the companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This report, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “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 report 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 report misleading.*

*This report will be published on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> and on the Company’s website at [www.ccidconsulting.com](http://www.ccidconsulting.com) (the “Company Website”) for at least 7 days from the date of its publication.*



## HIGHLIGHTS

- For the three months ended 31 March 2014, the unaudited turnover of the Group was approximately RMB27.69 million, basically remained the same with the corresponding period in the previous year;
- For the three months ended 31 March 2014, gross profit of the Group was approximately RMB13.50 million. The gross profit margin was approximately 49%. The gross profit has an increase of approximately 29% over the corresponding period in the previous year;
- For the three months ended 31 March 2014, profit attributable to equity holder of the Company was approximately RMB0.69 million, representing a decrease of approximately 15% over the corresponding period in the previous year;
- For the three months ended 31 March 2014, the basic earnings per share of the Group was about RMB0.10 cents;
- The board of directors does not recommend the payment of any dividend for the three months ended 31 March 2014.

## 2014 FIRST QUARTERLY RESULT

The board of directors (the "Board") of CCID Consulting Company Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiary (the "Group") for the three months ended 31 March 2014, together with the comparative unaudited figures for the corresponding period of 2013 as follows:

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

		Unaudited For the three months ended 31 March	
	Note	2014 RMB'000	2013 RMB'000
Turnover	2	<b>27,686</b>	27,682
Cost of sales		<b>(14,187)</b>	(17,211)
Gross profit		<b>13,499</b>	10,471
Other revenue		<b>50</b>	19
Selling and distribution expenses		<b>(4,432)</b>	(3,237)
Administrative expenses		<b>(8,677)</b>	(6,736)
Profit before taxation		<b>440</b>	517
Taxation	3	<b>(51)</b>	(96)
Profit/(loss) for the period		<b>389</b>	421
Attributable to:			
Equity holders of the Company		<b>687</b>	809
Non-controlling interests		<b>(298)</b>	(388)
		<b>389</b>	421
Earnings per share			
– Basic (RMB cents)	4	<b>0.10</b>	0.12
Dividends	6	–	–



## NOTES:

### 1. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES

CCID Consulting Company Limited (the “Company”) was incorporated in the People’s Republic of China (the “PRC”) on 14 March 2001 as a company with limited liability. Pursuant to an approval obtained from The State Economic and Trade Commission of the PRC (國家經濟貿易委員會) on 15 March 2002, the Company became a joint stock limited company. The H shares of the Company were successfully listed on GEM on 12 December 2002.

The Group’s unaudited results have been prepared in accordance with Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards, HK (SIC) – interpretations, HK(IFRIC) – interpretations, Hong Kong interpretations and Hong Kong Generally Accepted Accounting Principles issued by the Hong Kong Institute of Certified Public Accountants, and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM Listing Rules”).

The principle accounting policies for the preparation of the accounts are consistent with those used in the annual financial statements for the year ended 31 December 2013.

#### Impact of Newly Issued Accounting Policies

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations (IFRIC) as well as their amendments (the new standards and amendments).

The Group as well as the Company has not early adopted the new and revised HKFRS that have been issued but are not yet effective. The Group and the Company are in the process of assessing the impact of these new and revised HKFRS on the operation results and financial positions, but not yet in a conclusive position.

### 2. TURNOVER

The Group is principally engaged in the provision of management and strategic consultancy services, market consultancy, data information management and information engineering supervision services.

Turnover represents the sales value of services provided to customers (net of value-added tax), which excludes sales surtaxes. All significant intra-group transactions have been eliminated on consolidation.



### 3. TAXATION

	<b>Unaudited</b>	
	<b>For the three months</b>	
	<b>ended 31 March</b>	
	<b>2014</b>	2013
	<b>RMB'000</b>	<i>RMB'000</i>
PRC enterprise income tax	<b>51</b>	96

Hong Kong profits tax has not been provided as the Group had no assessable profits arising in Hong Kong during the three months ended 31 March 2014 (three months ended 31 March 2013: Nil). Taxes on profits assessable elsewhere have been calculated at the applicable rates of tax prevailing in the jurisdiction in which the Group operates, based on existing legislation, interpretations and practices in respect thereof during the period.

Pursuant to the Income Tax Law of PRC, the Company and other members in the Group (except Beijing CCID Information Engineering Supervision Co., Ltd (“CCID Supervision”)) are subject to a corporate income tax at a rate of 25% (corresponding period of 2013: 25%).

CCID Supervision is a high and new technology enterprise registered in the Beijing New Technology Enterprise Development Zone. Pursuant to the Income Tax Law of PRC, it is subject to a corporate income tax at a rate of 15% (corresponding period of 2013: 15%).

There was no material unprovided deferred tax with respect to the three months ended 31 March 2014 (three months ended 31 March 2013: Nil).

### 4. EARNINGS PER SHARE

The calculation of basic earnings per share for the three months ended 31 March 2014 was based on the profit attributable to equity holders of the Company of approximately RMB687,000 (three months ended 31 March 2013: approximately RMB809,000) and the weighted average of 700,000,000 (three months ended 31 March 2013: 700,000,000) shares in issue during the period.

Diluted earnings per share for the three months ended 31 March 2014 have not been calculated because no diluting events existed during the period (three months ended 31 March 2013: Nil).



## 5. RESERVE

	<b>Issued Share Capital</b>	<b>Statutory Reserves</b>	<b>Non- Controlling Interest</b>	<b>Retained Profits</b>	<b>Total</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2013	70,000	5,785	14,157	34,053	123,995
Change for the period	–	–	(388)	809	421
As at 31 March 2013	70,000	5,785	13,769	34,862	124,416
As at 1 January 2014	<b>70,000</b>	<b>6,797</b>	<b>17,757</b>	<b>42,801</b>	<b>137,355</b>
Change for the period	–	–	(298)	687	389
<b>As at 31 March 2014</b>	<b>70,000</b>	<b>6,797</b>	<b>17,459</b>	<b>43,488</b>	<b>137,744</b>

## 6. DIVIDENDS

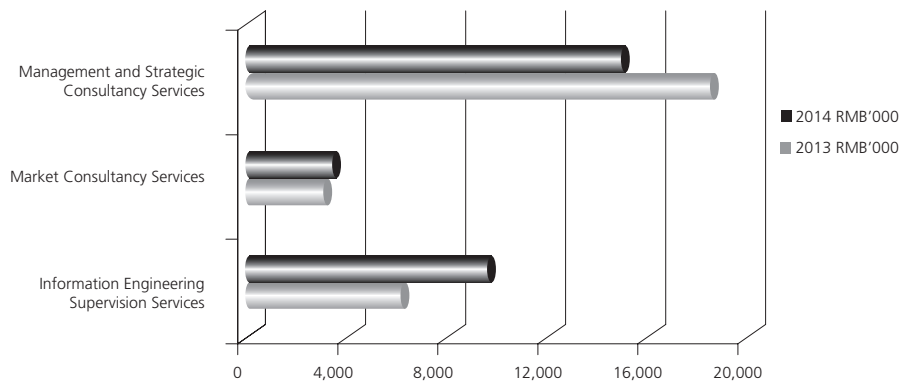
The Board does not recommend payment of a dividend for the three months ended 31 March 2014 (three months ended 31 March 2013: Nil).



## MANAGEMENT ANALYSIS AND DISCUSSION

### Turnover Analysis

For the three months ended 31 March 2014, the turnover of operations can be analyzed as follows:



	For the three months ended 31 March 2014		For the three months ended 31 March 2013	
	Turnover RMB'000	Percentage (approximately)	Turnover RMB'000	Percentage (approximately)
Management and Strategic Consultancy Services	14,835	54%	18,445	67%
Market Consultancy Services	3,181	11%	3,097	11%
Information Engineering Supervision Services	9,670	35%	6,140	22%
<b>Total</b>	<b>27,686</b>	<b>100%</b>	<b>27,682</b>	<b>100%</b>





## Business Review

For the three months ended 31 March 2014, the turnover and gross profit of the Group amounted to approximately RMB27,686,000 and RMB13,499,000 respectively (approximately RMB27,682,000 and RMB10,471,000 during the corresponding period of 2013). The turnover basically remained the same with the corresponding period of last year; Gross profit increased by approximately 29%, which was mainly due to the further strengthened control of cost of sales based on the stable of business of the Company.

In terms of Management and Strategic Consultancy Services, the Group has committed to capture the development trends of the national policy orientation and IT technology, encompassing the strategic emerging industry, persistently promoting businesses development related to IT consultancy, investment and merger and acquisition consultancy, corporate management and urban planning and continuously expanding customer resources, so as to enable the Group to acquire more sales channels and technical support in the course of developing management and strategy consultancy service. The Group recorded a revenue of approximately RMB14,835,000 for the three months ended 31 March 2014 (approximately RMB18,445,000 during the corresponding period of 2013) in management and strategy consultancy service, which constituted approximately 54% of the Group's turnover. The operation's turnover was decreased by approximately 20% as compared to the corresponding period of last year. The increase was mainly due to the Group's continuing efforts to promote business reform and expand into other business sectors basing on the management and strategic consultancy service.

In terms of Market Consultancy Services, the Group mainly provides data information, market research and industry research services to businesses to assist the government authorities to develop the market data operation and supervision services of the electronic information product related industries. For the three months ended 31 March 2014, the Group recorded a revenue of approximately RMB3,181,000 (approximately RMB3,097,000 during the corresponding period of 2013), which constituted approximately 11% of the Group's turnover, and basically remain the same with the corresponding period of the last year.

In terms of Information Engineering Supervision Services, the Group mainly provides supervision services related to projects such as software, networking, communication, information safety to the Government and enterprises. The revenue in information supervision engineering consultancy was approximately RMB9,670,000 for the three months ended 31 March 2014, (approximately RMB6,140,000 during the corresponding



period of 2013) which constituted approximately 35% of the Group's turnover, increased by approximately 57% as compared to the corresponding period of previous year. The increase was mainly due to the understanding of the Group over the industry information of enterprises and the assessment of customer needs.

### **Market Promotions and Publicity**

For the three months ended 31 March 2014, the Group hosted a series of marketing campaigns, including, "2014 China IT Market Annual Conference" and "2014 China Semiconductor Market Annual Conference" in major cities like Beijing and Wuxi.

### **Future Developments**

In 2014, the Group will place emphasis on improving the decision-making and consultancy services level among the senior government officials, generally enhancing the level of strategic consultancy services, paying effort to explore investment, merger and acquisition consultancy business, propelling programming, establishing industry chain construction and strengthening comprehensive management system in order to raise up the overall competitiveness of the Group.

### **To Improve the Decision and Consultancy Capability of the Senior Government Officials**

In order to provide more professional, personalized service, and meanwhile enhance the strategic and prospective research, the service system, which is to support all levels of government, should be further improved. For the local government and industrial park, to plan or even get some major projects worthy of millions, on one hand, sub-industry research team, marketing services team and brand marketing team should be set up, on the other hand, key production lines, like planning of industry, feasibility of project as well as design should be improved. Besides, to improve the depth and level of specified reports and prospective studies, the government should pay more attention to the topics to be planned, and carry out the advanced and countermeasures research specifically. What's more, the government should not only perfect the methodology system and research tools of soft science, but also establish the management and control system of quality and enhance the decision-making levels in advisory services.



### **To Improve Overall Enterprise Strategy Consultancy**

We will integrate our internal research departments and set up an IT group by concentrating superior IT resources. In order to perfect the business composition, integrating other departments, like raw material department, into non-IT group is quite necessary. Apart from that, consolidation of the marketing consulting business is necessary, either. To achieve this, we should actively expand our team of strategy-planning, and improve our group control and governance of corporation, including the market planning and integration of business between marketing, corporation's culture and brand building, human resources, business model as well as listed consultation etc. We should devote to the establishment of analysis-based teams, which majors in the market research and industrial analysis. Others like, optimizing counseling tools, as well as the management of knowledge and sharing mechanism, strengthening the capacity of response and improving the development of branded corporation clients and high value-added business should be carried out either.

### **To Expand the Consultancy Business of Investment, Merger and Acquisition**

Establish important products line of corporate merger and reorganization, corporate financing and government investment and financing for enterprises, industrial parks and local government; set up information base for corporate projects and data base for investment institutions, covering high-quality projects in critical industries and most reputable investment institutions and providing transactions information and services for both parties; build up China Innovative Investment and Financing Platform and create a bridge for enterprises, investment and financing institutions, government and industrial parks. Try to obtain the government policies and funding support by way of making the China Innovative Investment and Financing Platform become the national public services platform, and at the same time actively cooperate with local government and industrial parks to set up divisions in major cities of the countries, making them become the local public services platforms. With respect to the registered capital, professional talents, internal control and projects items etc. try to do an excellent job under relevant qualification requirements of competent departments so as to obtain relevant business qualifications.

### **To Promote the Construction of Business Chain in Design and Supervision**

We need to promote the extension from the business of design to the business of preliminary and detailed design. Construction of the system in the business of three-dimensional engineering consulting and management services is based on the acquisition of new supervision and counseling qualification. This would enable to achieve the



expansion from the systematic information engineering supervision and consultation services to the fields of communications and military etc. During the vertical expansion in business, continuous development should be promoted from supervision in construction and consulting services to the stage of engineering design and maintenance. This will contribute to the formation of omnibearing business chains in the project engineering, which will cover the whole life cycle, consulting management and the business of engineering supervision, including the gradual formation of a comprehensive multi-disciplinary and cross-sectoral business structure.

### **To Strengthen The Construction of Comprehensive Management Systems**

To ensure the quality of research, we should, on one hand, enhance the construction of quality assurance system and in-depth explore a professional research methodology, “The three methods and one disciplinary”-system of overall induction, analysis of core problem, study of comparative benchmark and the law of formation of abstract view, on the other hand, establish the system of quality assurance and the process of research and review. Besides, we should strengthen the overall system of management and seize the basic management from the management of projects, performance and knowledge, and similarly, seize the comprehensive management from basic management, proactive service system and customer management, competitiveness improvement, as well as the construction of learning organization and the construction and management of harmonious culture. And we can grasp the management of excellence from the research and development of innovative funds, employees’ incentive funds and high-performance process etc.

### **DIRECTORS’ AND SUPERVISORS’ INTERESTS IN SHARES**

As at 31 March 2014, the interests and short positions of the directors, supervisors, and chief executive in shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”), which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 & 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which are required pursuant to Section 352 of the SFO to be entered in the register referred to therein, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules were as follows:



## Long positions and short positions in ordinary shares of the Company:

Name of directors	Name of Company/ Associated Corporations	Capacity	Nature of interests	Number and Class of Shares	Approximate Percentage of Issued Share Capital
Luo Wen	The Company	Beneficial owner	Long position	1,020,000 domestic shares	0.15%
Lu Shan	The Company	Beneficial owner	Long position	1,020,000 domestic shares	0.15%

Save as disclosed above, as at 31 March 2014, none of the directors, supervisors or their associates had registered an interest or short position in the shares, underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 & 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which are required pursuant to Section 352 of the SFO to be entered in the register referred to therein, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 to 5.67 of the GEM Listing Rules.

## DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed under the paragraph headed "Directors' and Supervisors' Interests in Shares" above, at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director and supervisor or their respective spouse or children under 18 years old, or were any such rights exercised by them; or was the Company or its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors and supervisors to acquire such rights.

## SUBSTANTIAL SHAREHOLDER'S INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 March 2014, the following persons (other than the directors and supervisors of the Company) had interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.



Name	Capacity	Nature of interest	Number and class of shares	Approximate percentage in the same class of shares	Approximate percentage of issued share capital
China Center of Information Industry Development ("CCID") (Note 1)	Interest of controlled corporation	Long position	485,900,000 domestic shares	98.96%	69.41%
Research Centre of Ministry of Industry and Information Technology Computer and Microelectronics Industry Development ("Research Centre") (Note 1)	Beneficial owner	Long position	392,610,000 domestic shares	79.96%	56.09%
Beijing CCID Riyue Investment Co., Ltd. ("CCID Riyue") (Note 1)	Beneficial owner	Long position	93,290,000 domestic shares	19.00%	13.32%
Legend Holdings Limited (Note 2)	Interest of controlled corporation	Long position	20,000,000 H shares	9.57%	2.86%
Lenovo Group Limited (Note 2)	Interest of controlled corporation	Long position	20,000,000 H shares	9.57%	2.86%
Legend Holdings (BVI) Limited (Note 2)	Interest of controlled corporation	Long position	20,000,000 H shares	9.57%	2.86%
Legend Express Agency & Services Limited (Note 2)	Interest of controlled corporation	Long position	20,000,000 H shares	9.57%	2.86%
Grade Win International Limited (Note 2)	Beneficial owner	Long position	20,000,000 H shares	9.57%	2.86%
Lam William Ka Chung (Note 3)	Interest of controlled corporation	Long position	14,600,000 H shares	6.99%	2.09%
J.P. Morgan Fleming Asset Management Holdings Inc. (Note 4)	Investment manager	Long position	15,000,000 H shares	7.18%	2.14%
J.P. Morgan Fleming Asset Management (Asia) Inc. (Note 4)	Investment manager	Long position	15,000,000 H shares	7.18%	2.14%
JF Asset Management Limited (Note 4)	Investment manager	Long position	10,700,000 H shares	5.12%	1.53%



Note:

1. CCID, through Research Centre (which is controlled by, and under the supervision of, CCID) and CCID Riyue (which is, directly and indirectly, wholly-owned by CCID) have effective interests in the Company comprising the 392,610,000 domestic shares held directly by Research Centre and the 93,290,000 domestic shares held directly by CCID Riyue.
2. Grade Win International Limited directly holds 20,000,000 H shares of the Company. Grade Win International Limited is a wholly-owned subsidiary of Legend Express Agency & Services Limited; Legend Express Agency & Services Limited is a wholly-owned subsidiary of Legend Holdings (BVI) Limited; Legend Holdings (BVI) Limited is a wholly-owned subsidiary of Lenovo Group Limited; Legend Holdings Limited holds 57.76% equity interests in Lenovo Group Limited, the above corporations are deemed to be interested in 20,000,000 H shares of the Company.
3. Kingsway Financial Services Limited directly holds 13,510,000 H shares of the Company. Kingsway Financial Services Limited is a wholly-owned subsidiary of Kingsway Securities Holdings Limited. Kingsway Securities Holdings Limited is a wholly-owned subsidiary of Kingsway International Holdings Limited. Kingsway Lion Spur Technology Limited directly holds 1,090,000 H shares of the Company. Kingsway Lion Spur Technology Limited is a wholly-owned subsidiary of Festival Developments Limited. Festival Developments Limited is a wholly-owned subsidiary of SW Kingsway Capital Holdings Limited. World Developments Limited directly holds 74% equity interest in SW Kingsway Capital Holdings Limited. World Developments Limited is a wholly-owned subsidiary of Innovation Assets Limited. Innovation Assets Limited is a wholly-owned subsidiary of Kingsway International Holdings Limited. Lam William Ka Chung directly and indirectly owns approximately 40% equity interests in Kingsway International Holdings Limited. Lam William Ka Chung is deemed to be interested in 14,600,000 H Shares of the Company.
4. JF Asset Management Limited directly holds 10,700,000 H shares of the Company. JF International Management Inc. directly holds 4,300,000 H shares of the Company. J.P. Morgan Fleming Asset Management (Asia) Inc. holds 99.99% and 100% equity interests in JF Asset Management Limited and JF International Management Inc. respectively. J.P. Morgan Fleming Asset Management (Asia) Inc. is a wholly-owned subsidiary of J.P. Morgan Fleming Asset Management Holdings Inc.. J.P. Morgan Fleming Asset Management (Asia) Inc. and J.P. Morgan Fleming Asset Management Holdings Inc. are deemed to be interested in 15,000,000 H shares of the Company.

Save as disclosed above, as at 31 March 2014, no person, other than the shareholders of the Company, whose interests are set out in the section "Directors and supervisors' interests in shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.



## **SHARE OPTION SCHEME**

The Company adopted a Share Option Scheme as at 20 November 2002. The major terms and conditions of the Share Option Scheme set out on the section “Summary of the Terms of Share Option Scheme” on Appendix IV of the IPO as published on 29 November 2002. No Share Option was granted under the Share Option Scheme as of 31 March 2014.

## **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY**

Neither the Company, nor its subsidiaries purchased, redeemed or sold any of the Company’s listed securities during the period.

## **COMPETING INTEREST**

None of the directors or the management shareholders (as defined in the GEM Listing Rules) of the Company and their respective associates had an interest in a business which competes with the Group or may compete with the business of the Group.

## **SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has complied with the requirements of the “Required Standard of Dealing” as set out in Rule 5.48 to 5.67 of the GEM Listing Rules in standardizing the transactions of the securities by the directors. The Company has made specific enquiry to all directors and all of them have confirmed that they have been complied with the “Required Standard of Dealing” throughout the three months ended 31 March 2014.

## **AUDIT COMMITTEE**

The Company has established an audit committee which was established in compliance with Rule 5.28 of the GEM Listing Rules, for the purposes of reviewing and providing supervision over the Group’s reporting process and internal controls. The audit committee comprises three members, Ms. Li Xuemei, Mr. Guo Xinping and Mr. Han Fuling. All of them are independent non-executive directors. Li Xuemei is the Chairlady of the audit committee. The Audit Committee has reviewed the Group’s unaudited consolidated results for the three months ended 31 March 2014 and was of the view that the preparation of the results had complied with all applicable accounting standards and relevant regulations and laws.





## **CORPORATE GOVERNANCE**

The Company was in compliance with the code provisions set out in the Corporate Governance Code contained in Appendix 15 of the GEM Listing Rules during the three months ended 31 March 2014.

## **FUTURE PLANS FOR MATERIAL ACQUISITION AND DISPOSALS**

Currently, the Group has no major acquisition and disposal plan.

## **INTERNAL CONTROL**

The Board reviews the internal monitoring system regularly to guarantee that related systems are effective and appropriate. The Board of directors holds meetings regularly to discuss matters concerning finance, operation and risk management and monitoring.

## **SUFFICIENCY OF PUBLIC FLOAT**

As at the date of this report, based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has complied with the sufficiency of public float requirement as prescribed by the GEM Listing Rules.

## **ACKNOWLEDGEMENT**

Hereby, I avail myself of this opportunity to thank all directors, management of the Group and all the employees for their dedication and commitment and all suppliers, customers, bankers and shareholders for their continued support.

By order of the Board  
**CCID CONSULTING COMPANY LIMITED\***  
**Mr. Luo Wen**  
*Chairman*

Beijing, The People's Republic of China  
8 May 2014

*As at the date of this report, Mr. Luo Wen and Mr. Li Shuchong are executive Directors, Mr. Song Xianzhu, Mr. Lu Shan and Mr. Wang Peng are the non-executive Directors, Mr. Guo Xinping, Mr. Han Fuling and Ms. Li Xuemei are the independent non-executive Directors.*

\* For identification purpose only