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CIG

CIG SHANGHAI CO., LTD.
上海劍橋科技股份有限公司

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

(Stock Code: 6166)

DISCLOSEABLE TRANSACTION
FORMATION OF PARTNERSHIP

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On July 24, 2026, the Company and Shanghai Zhifengzhizi entered into the Partnership Agreement in respect of formation of the Partnership, which will be principally engaged in equity investment, investment management and asset management through private funds and venture capital investment in unlisted enterprises.

Pursuant to the Partnership Agreement, the Company (as a limited partner) and Shanghai Zhifengzhizi (as the general partner) will make capital contributions of RMB800 million and RMB10,000 to the Partnership, representing 99.9988% and 0.0012% of its partnership interest, respectively. Upon completion of this transaction, the Partnership will be accounted for as a subsidiary of the Company and its financial results will be consolidated into the consolidated financial statements of the Company.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio in respect of the transaction contemplated under the Partnership Agreement exceeds 5% but is less than 25%, the transaction contemplated under the Partnership Agreement constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

I. FORMATION OF PARTNERSHIP

On July 24, 2026, the Company and Shanghai Zhifengzhizi entered into the Partnership Agreement in respect of formation of the Partnership, which will be principally engaged in equity investment, investment management and asset management through private funds and venture capital investment in unlisted enterprises.

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II. PRINCIPAL TERMS OF THE PARTNERSHIP AGREEMENT

Date

July 24, 2026

Parties

(1) Shanghai Zhifengzhizi, as the general partner/executive partner holding 0.0012% of the partnership interest; and

(2) the Company, as a limited partner holding 99.9988% of the partnership interest.

Subject matter

The Partnership will be a limited partnership to be established in accordance with the laws of the PRC and the Partnership Agreement.

The proposed name of the Partnership is Jiaxing Hujiang Optoelectronic Industry Fund Partnership (Limited Partnership)* (嘉興滬江光電產業基金合夥企業(有限合夥)) and is subject to the final name as approved and registered by the relevant government authority in the PRC.

The scope of business of the Partnership covers equity investment, investment management, asset management and other activities through private funds (such activities may only be conducted after registration and filing with the Asset Management Association of China (中國證券投資基金業協會)); venture capital (limited to investment in unlisted enterprises) (except for projects that require approval according to the laws, business activities may be carried out independently with a business license in accordance with the laws).

The Partnership will primarily invest in equity of unlisted enterprises in emerging industries such as advanced manufacturing and information technology, including integrated circuits (IC) and artificial intelligence (with a focus on enterprises in the optical components, chips, and core IC sectors), as well as ordinary shares of listed companies within the same industry chain as the Company that are issued and traded on a non-public basis (including private placements, block trades, and negotiated transfers). The Partnership may use no more than 20% of its total committed capital to invest in other private equity investment funds that have been registered and filed with the Asset Management Association of China. Subject to compliance with applicable laws, regulations and regulatory requirements, the Partnership may participate in equity investments in high-quality overseas technology enterprises and allocations of overseas assets. During periods when funds are idle, the Partnership may, for cash management purposes, invest in cash management instruments recognized by the China Securities Regulatory Commission, such as demand deposits with banks, treasury bonds, central bank bills, money market funds, and bank wealth management products.

Committed capital

The total amount of committed capital of the Partnership is RMB800,010,000. The amount and proportion of the capital committed to be made by each partner are set out below:

Partners	**Amount of committed capital** *(RMB)*	**Approximate percentage of total committed capital** *(%)*
Shanghai Zhifengzhizi	10,000	0.0012
the Company	800,000,000	99.9988
Total	800,010,000	100.0000

The amount of committed capital of each partner shall be paid in cash by installments and within 15 days from the date of receiving a payment notice issued by the general partner in accordance with the project investment progress and the partnership's operating capital needs. The respective amount of capital committed to be made by each of the partners to the Partnership was determined after arm's length negotiation among the partners with reference to the expected capital needs for investment of the Partnership and the partners' proportionate interests therein.

The capital contribution to be made by the Company to the Partnership will be funded by internal resources of the Group.

Term

The term of duration of the Partnership as registered with the registration and filing authority shall be 7 years, commencing from the date of its establishment, of which the first 3 years shall be the investment period and the remaining 4 years shall be the exit period. If, upon the expiry of the aforesaid term of duration, there remain any unrealized investment projects, the executive partner may, at its sole discretion, extend the term of duration of the Partnership by 2 years. If any further extension is required, such extension shall be approved by a resolution of the partners' meeting.

Management and decision-making mechanism

The Partnership shall appoint the executive partner as the fund manager of the Partnership. The relevant rights and obligations of the executive partner shall be exercised and assumed by the fund manager. The Partnership shall be managed by a custodian with the requisite custodial qualifications that is selected by the executive partner. Specific custodial matters shall be agreed separately between the fund manager and the custodian by entering into a custodial agreement. The custodian shall perform its duties in accordance with the custodial agreement, including asset safekeeping, verification of the net asset value of the custodial assets, and supervision over the fund manager's investment operations.

The executive partner shall establish an investment decision committee (the "**Investment Decision Committee**"), which shall serve as the decision-making body for the Partnership's external investments. The Investment Decision Committee shall consist of 3 members, of which the executive partner shall designate 2 experienced professional members, and the Company shall designate 1 member. The member(s) designated by the executive partner shall be responsible for convening and chairing the Investment Decision Committee meetings. The member designated by the Company shall have the right to attend meetings, participate in discussions, and review all decision-making materials, so as to ensure that the Company is fully informed of the Partnership's investment activities and developments, and shall have a veto right.

Management fee

The management fee shall be 2% per annum during the investment period and shall be reduced to half, i.e. 1% per annum, during the exit period. No management fee shall be charged for the extension period.

Profit distribution arrangement

Principle of distribution:

(1) Prior to the liquidation of the Partnership, any distributable profits received shall be distributed promptly upon receipt and when received and shall not be reinvested. Distributions priority shall be given to repaying the total amount of capital actually contributed by all partners, followed by the distribution of profits.

(2) The fund manager shall complete the distribution within 30 working days after each installment of distributable profits is credited to its account, in accordance with the distribution principles and order set forth in the Partnership Agreement.

(3) Where any partner fails to make capital contribution in full and on time as stipulated in the Partnership Agreement, the Partnership has the right to deduct default penalties, compensation and other amounts when distributing profits to that partner; if the distributable profits to such partner is insufficient to cover the above amounts, such partner shall separately make up the shortfall.

Methods of distribution:

(1) First, distributions shall be made to the partners that have made capital contributions, until the amount of distributions received by such partner equals the amount of capital actually contributed;

(2) If there is any surplus, it shall be distributed to the partners who have made capital contributions, until the aggregate distributions received by such partners equal the amount of returns calculated at an annual interest rate of 8% (simple interest) (the calculation base shall be computed on the basis of the outstanding balance of the capital actually contributed, and after the return of a portion of such contributions, the calculation base shall be computed on the remaining capital actually contributed);

(3) If there is any surplus, it shall be distributed between the fund manager and all partners in the ratio of 20%: 80% (with 20% being the performance fee of the fund manager and 80% being shared among the partners in proportion to the capital actually contributed by them).

Non-cash distribution:

Upon the expiration of the term of duration of the Partnership as recorded with the relevant registration and filing authority, should any investment of the Partnership remain unrealized, the fund manager shall be entitled to distribute the assets in kind (i.e., on a non-cash basis).

Investment model

Investment criteria:

Proposed investment projects shall meet the following criteria:

(1) falling within the investment scope as stipulated in the Partnership Agreement;

(2) possessing core technologies or innovative business models and have certain competitive advantages in the industry;

(3) the management teams of which have extensive industry experience, strong research and development capabilities, and solid operational management skills;

(4) having clear profit model and sustainable profitability, or exhibit significant growth potential;

(5) having no material legal, compliance, or financial risks.

Investment decision-making:

The fund manager shall be responsible for making decisions on the details of the investment, including the timing of investment, investment amount, and investment targets, in compliance with applicable laws, regulations and the provisions of the Partnership Agreement, and shall also be responsible for executing investment agreements and giving investment instructions. Any single investment project with an amount equal to or exceeding 10% of the total committed capital of the Partnership shall be deemed a material investment matter and shall require the unanimous approval of all members of the Investment Decision Committee. Any single investment project with an amount below 10% of the total committed capital of the Partnership shall require the approval of at least two-thirds (inclusive) of the members of the Investment Decision Committee. Upon approval by the Investment Decision Committee, the investment agreement shall be executed and the investment obligations shall be performed.

Prohibited investment activities:

(1) engaging in guarantee, mortgage, entrusted loans, real estate, capital borrowing and other businesses;

(2) making outward investments that bear unlimited joint and several liability;

(3) engaging in insider trading, manipulation of securities prices, and other improper securities trading activities;

(4) directly investing in credit assets of commercial banks;

(5) pledging fund interests for financing;

(6) directly or indirectly investing in industries and sectors that are prohibited by laws, regulations, or state policies from equity investment;

(7) incurring external debts in the name of the Partnership;

(8) other activities prohibited by laws and regulations, the China Securities Regulatory Commission, or the Partnership Agreement.

Exit Period

The methods for the Partnership to exit from its investments include but are not limited to the following:

(1) selling the shares of the listed company held by the Partnership after the investee company is directly or indirectly listed on a domestic or overseas stock exchange through an initial public offering;

(2) selling the shares or equity interests of the quoted company held by the Partnership after the investee company is listed on the National Equities Exchange and Quotations (NEEQ) or any regional property rights exchange;

(3) directly transferring the equity interests, capital contribution amounts, assets, or the economic rights and interests in the research and development projects of the investee company held by the Partnership;

(4) entering into an equity repurchase agreement with the actual controller or a substantial shareholder of the investee company, pursuant to which such party shall, under certain conditions and in accordance with applicable laws, repurchase the equity interests held by the Partnership;

(5) receiving distributions from the property of the investee company upon its dissolution or liquidation.

After an investment exit, no second round of equity investment may be made, i.e., the "exit-and-distribution" principle shall be implemented, and distributions to each partner shall be made within 30 working days after the receipt of the retrieved funds. The fund manager shall formulate a clear exit strategy and timetable, regularly assess the feasibility of exiting from investment projects, and disclose the progress of such exits to the partners in a timely manner.

Termination events

The Partnership shall be terminated upon the occurrence of any of the following events: (i) the expiry of the term of duration without extension; (ii) the expiry of the term as registered with the industrial and commercial authority without extension; (iii) the partnership purpose being frustrated or rendered impossible to achieve; (iv) the manager ceasing to have management capability or becoming unreachable, and the partners' meeting resolving to terminate the Partnership; (v) all partners unanimously agreeing to dissolve the Partnership, etc.

III. REASONS FOR AND BENEFITS OF THE FORMATION OF THE PARTNERSHIP

The formation of the Partnership represents an investment made by the Company using its own funds in collaboration with a professional institution, enabling the Company to fully leverage the resources and expertise of the professional institution in the investment field, and to engage in equity investment business with a view to generating medium to long term investment returns, while maintaining reasonable control over risks. At the same time, by strategically focusing on enterprises in the optical components, chips, and core IC sectors, the Company will be able to strengthen its control over the upstream and downstream of the industry chain, thereby enhancing its technological capabilities and supply chain resilience, increasing its downstream market coverage and expand its market influence, diversifying the Company's investment portfolio, and maximizing strategic and operational synergies. This is in line with the Company's long-term development strategy and its plan for the utilization of the proceeds from the fund-raising activities.

The source of funds for this investment is the Company's own funds, and it will be carried out on the premise that sufficient funds for daily operations are ensured. It will not affect the normal operation of the Company's business activities, nor will it have a material adverse effect on the Company's operating results. There is no circumstance that would harm the interests of the Company and its shareholders as a whole. This cooperative investment matter will not create any new connected transactions nor give rise to competition with the Company's business.

Having considered, *inter alia*, the above, the Directors are of the view that the terms of the Partnership Agreement are on normal commercial terms that are fair and reasonable, and entering into the Partnership Agreement is in the interests of the Group and the shareholders of the Company as a whole.

IV. INFORMATION OF THE PARTNERS

The Company and the Group

The Company is mainly engaged in the research and development, production and sales of terminal equipment (covering telecommunication broadband, wireless networks and small cells, edge computing and industrial internet products) and high-speed optical module products in the fields of telecommunications, digital communication, enterprise networks and home networks. The Group includes the Company and its subsidiaries, and is committed to providing high-quality optical communication solutions to global customers.

Shanghai Zhifengzhizi

Shanghai Zhifengzhizi is a company established in the PRC with limited liability, principally engaged in private equity investment fund management and venture capital fund management. As at the date of this announcement, Shanghai Zhifengzhizi is wholly owned by Shanghai Yunhe Information Technology Service Co., Ltd. (上海昀和信息技術服務有限公司) ("**Shanghai Yunhe**"). Shanghai Yunhe is owned by Jiang Meng (江濛) and Xing Zhen (邢珍) as to 60% and 40%, respectively. To the best of the Directors' knowledge, information and belief and after making reasonable enquiries, each of Shanghai Zhifengzhizi and its ultimate beneficial owners is a third party independent of the Company and its connected persons.

V. CAUTION ON RISKS

(1) The Partnership has not yet completed its industrial and commercial registration and is still required to file with the Asset Management Association of China. There is a certain degree of uncertainty as to whether such filing can be successfully completed.

Countermeasures: The Company will, together with the fund manager, assign dedicated personnel to follow up on the filing process, prepare complete filing materials in advance, respond promptly to regulatory enquiries, and ensure the efficient advancement of the filing procedures.

(2) In its future actual operations, the Partnership may be affected by various factors, including macroeconomic conditions, industry policies, market changes, and other force majeure events, and there is a certain degree of uncertainty regarding the expected returns.

Countermeasures: The fund manager will be required to establish a mechanism for tracking macroeconomic developments and industry policies, regularly assess portfolio risks, and flexibly adjust investment strategies; focus on core sectors such as optical components and chips, selectively invest in high-quality projects with technological barriers, diversify investment risks.

(3) This investment will be made using the Company's own funds. If the fund's investments fail to achieve the expected returns, the efficiency of capital utilization may be adversely affected.

Countermeasures: Clear requirements for the fund's investment schedule will be set, and the manager will be urged to reasonably advance project implementation during the investment period; the Company will regularly review the utilization of funds and, for idle funds, give priority to low-risk cash management instruments to improve the efficiency of capital utilization.

(4) Fund investments are characterized by long cycles and low liquidity, and the Partnership may face risks such as difficulties in exiting investment projects and extended recovery periods.

Countermeasures: The manager will be required to formulate diversified exit contingency plans, utilizing multiple approaches such as IPO, merger and acquisition, and equity repurchase to facilitate exits; performance commitments and repurchase clauses shall be clearly specified in the investment agreements to ensure the feasibility of exit routes.

(5) The fund manager may engage in conduct in breach of the Partnership Agreement, such as unauthorized investments or failure to disclose material matters, which could cause losses to the Company.

Countermeasures: Relying on the custodian institution to provide full-process supervision over the fund's operations, and strictly reviewing the investment decision-making process; the Company, through appointing a member to the Investment Decision Committee to participate in voting and regularly reviewing financial statements, will strengthen oversight, and will raise objections and demand rectification promptly in case of any violation, and pursue legal liability where necessary.

(6) If the fund manager loses its management capability, this may lead to the replacement of the manager or early liquidation of the fund, thereby posing risks to investment progress and returns.

Countermeasures: The procedures for manager replacement and the selection criteria for alternative institutions will be clearly defined in advance, so that a replacement can be completed quickly when abnormal circumstances arise; strengthen the assessment of the stability of the manager's core team, and require the manager to establish sound internal governance and risk mitigation and control mechanisms.

VI. IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio in respect of the transaction contemplated under the Partnership Agreement exceeds 5% but is less than 25%, the transaction contemplated under the Partnership Agreement constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

VII. DEFINITIONS

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

"Board"	the board of directors of our Company
"Company"	CIG SHANGHAI CO., LTD., a joint stock company established in the PRC with limited liability, whose H Shares are listed on the Main Board of the Stock Exchange (stock code: 06166) and A Shares are listed on the Shanghai Stock Exchange (stock code: 603083)
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"Partnership"	the limited partnership to be established in the PRC pursuant to the laws of the PRC and the Partnership Agreement, which is expected to be named Jiaxing Hujiang Optoelectronic Industry Fund Partnership (Limited Partnership)* (嘉興滬江光電產業基金合夥企業(有限合夥)) subject to the final name as approved and registered by the relevant government authority in the PRC
"Partnership Agreement"	the partnership agreement dated July 24, 2026 entered into between Shanghai Zhifengzhizi and the Company in respect of the formation of the Partnership

"PRC"	the People's Republic of China, for the purpose of this announcement, excluding Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and region of Taiwan of the PRC
"RMB"	Renminbi, the lawful currency of the PRC
"Shanghai Zhifengzizhi"	Shanghai Zhifengzhizi Private Fund Management Co., Ltd.* (上海知風之自私募基金管理有限公司), a company established in the PRC with limited liability on July 12, 2021
"Shareholder(s)"	the shareholder(s) of our Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

By order of the Board
CIG SHANGHAI CO., LTD.
Mr. Gerald G Wong
Chairman, Executive Director and General Manager
(Chief Executive Officer)

Shanghai, July 24, 2026

As at the date of this announcement, the Board of Directors of the Company comprises: (i) Mr. Gerald G Wong, Mr. Zhao Haibo, Mr. Zhao Hongwei and Mr. Zhang Jie, as Executive Directors; and (ii) Mr. Qin Guisen, Mr. Yao Minglong and Ms. Yuen Shuk Yee as Independent Non-executive Directors.

* *For identification purpose only.*