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# **IDG Energy**

## **IDG ENERGY INVESTMENT GROUP LIMITED**

### **IDG 能源投資集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 650)**

### **POSITIVE PROFIT ALERT**

This announcement is made by IDG Energy Investment Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company is pleased to announce that based on a preliminary review of the unaudited consolidated management accounts of the Group for the financial year ended 31 March 2018 (“**FY2017**”) and information currently available to the Board, the Group expects to record a net profit of approximately HK\$14 million for FY2017 as compared to the net loss of the previous financial year. The turnaround from loss to profit is primarily attributable to (i) the recovery of crude oil prices in FY2017, which led to an increase in the revenue and a positive gross profit, (ii) the return on its investment regarding upstream oil and gas assets, in the form of interest income from the term loan granted to Stonehold Energy Corporation, who holds the unconventional upstream oil and gas assets in the Eagle Ford core region in the United States of America, details of which are disclosed in the announcements of the Company dated 15 August 2017, 27 September 2017 and 28 February 2018 and the circular of the Company dated 29 September 2017, and (iii) no recognition in FY2017 of any one-off notional listing expenses and related transaction costs, which has a significant amount and had been incurred for the reverse takeover transaction completed during the previous financial year.

The Company is in the course of preparing its audited annual results for FY2017. The information contained in this announcement is only a preliminary assessment by the Board based on the latest information currently available. It has not been audited or reviewed by the Company’s auditor or its audit committee and will be subject to change and finalization. Shareholders of the Company and potential investors are advised to refer to the details in the audited annual results announcement of the Company to be published by the end of June 2018.

\* *For identification purposes only*

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**IDG Energy Investment Group Limited**  
**WANG Jingbo**  
*Chairman and Chief Executive Officer*

Hong Kong, 9 May 2018

*As at the date hereof, the Board comprises seven Directors, of whom two are executive Directors, namely Mr. Wang Jingbo (Chairman and Chief Executive Officer), and Mr. Lee Khay Kok; two are non-executive Directors, namely Mr. Lin Dongliang and Mr. Shong Hugo; and three are independent non-executive Directors, namely Prof. Chen Zhiwu, Mr. Shi Cen, and Mr. Chau Shing Yim David.*