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IDG Energy Investment
IDG ENERGY INVESTMENT LIMITED
IDG 能源投資有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 650)

VOLUNTARY ANNOUNCEMENT
INVESTMENT REGARDING MOBILITY SERVICES PLATFORM

This announcement is made by the Company on a voluntary basis.

THE TRANSACTION

The Board is pleased to announce that the Company, through its wholly-owned subsidiary, has completed the Transaction, a milestone that marks the Company's entry into the new mobility industry.

On 15 November 2019, Triple Talents entered into a series of agreements with the Target and its affiliates, pursuant to which Triple Talents has agreed to subscribe for certain shares in the Target, which constitutes 35% of the total share capital of the Target upon completion of such subscription. Upon completion of the Transaction with a total investment of approximately RMB200 million, the Company has become the controlling shareholder of the Target. The Target will become the holding company of the Mobility Services Platform upon completion of the Restructuring.

The Mobility Services Platform will be one of the focal businesses to develop for the Company, and the Company expects to closely engage in the operation and supervision of this new business to ensure its commercial development, sound financial performance, and the realization of the synergistic value to be created between the Target and the Company along with its energy industry expertise and strategic partners.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Target has been carefully selected from many quality investment opportunities screened by the Company, and the carrying out of the Transaction is consistent with the Company's core investment strategy of unyielding pursuit of attractive investment returns with determination to unleash value-creating projects in high-growth sectors. The Mobility Services Platform is expected to diversify income stream and maximise returns for the Company's shareholders.

China has embraced the spirit of the “sharing economy” and has witnessed its rapid realization across both new and traditional industries. In China, the new mobility industry represents a market with an annual transaction volume of more than RMB300 billion, which is expected to reach RMB500 billion in 2022. Currently there are more than 10 billion ride orders recorded per year. The Company believes that the new mobility industry represents a fast growing and underpenetrated market opportunity.

The Company has chosen a unique angle to initiate this ambitious venture with the Mobility Services Platform, which manages hundreds of thousands of drivers and vehicles to supply ride services to online ride-hailing companies such as Didi. The Target aims to resolve the need of both consumers and relevant regulatory agencies to improve the quality and safety of online ride-hailing services. The Target also aims to resolve the industry’s current challenge of supply shortage of compliant drivers. With the Mobility Services Platform, the Target will charge a take rate from the gross merchandise value (GMV) of every ride it supplies, which will secure its healthy operating cash flow. The goal is to create value through efficient drivers and fleets management. This will be achieved by a well-designed combination of online data-driven analysis and offline guided interaction with drivers. In addition, the Target is expected to enjoy synergies with the existing businesses of its shareholders, including but not limited to fuel cost optimization and vehicle leasing services.

The Company believes that the Target is well positioned to rapidly scale up. The Company will positively benefit from this new venture through its cash-generating capability, operational sustainability and business scalability.

The Directors believe that entering into the Transaction will enable the Company to capture development opportunities in the new mobility industry and increase the efficiency of its fund utilisation. The Directors consider that the terms of the Transaction are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, to the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, the Target, its relevant affiliates and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

Since all applicable ratios in respect of the Transaction under Rule 14.07 of the Listing Rules are less than 5%, the Transaction does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the words and expressions below shall have the following meanings when used herein:

“Board”	the board of directors of the Company
“Company”	IDG Energy Investment Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange (Stock code: 650)

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mobility Services Platform”	online ride-hailing services platform business operated and maintained by the Target and its controlled entities
“PRC”	the People’s Republic of China
“Restructuring”	the restructuring relating to the Mobility Services Platform as contemplated under the Transaction
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	Weipin (Cayman) Holding Limited, a company incorporated under the laws of Cayman Islands with limited liability
“Transaction”	the transaction contemplated under a series of agreements dated 15 November 2019 entered into between Triple Talents and the Target and/or its affiliates in respect of, among others, the subscription of the shares in the Target
“Triple Talents”	Triple Talents Limited, a wholly-owned subsidiary of the Company
“%”	per cent.

By Order of the Board
IDG Energy Investment Limited
WANG Jingbo
Chairman and Chief Executive Officer

Hong Kong, 25 November 2019

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. Liu Zhihai (President); two are non-executive Directors, namely Mr. Lin Dongliang and Mr. Shong Hugo; and three are independent non-executive Directors, namely Ms. Ge Aiji, Mr. Shi Cen, and Mr. Chau Shing Yim David.

* *For identification purposes only*