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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)

DISCLOSEABLE TRANSACTION
ENTERING INTO OF THE AMENDED AND RESTATED LIMITED
PARTNERSHIP AGREEMENT

THE AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

The Board announces that on 27 March 2021, Giant Charm (a wholly-owned subsidiary of the Company), Fortuna I SP, Selead Investment and the Initial Limited Partner entered into the Amended and Restated Limited Partnership Agreement for the admission of Giant Charm and Fortuna I SP as the Limited Partners into the Fund. Pursuant to the Amended and Restated Limited Partnership Agreement, the General Partner is targeting approximately USD300 million (equivalent to approximately HKD2,330.94 million*) in capital commitments from all existing and potential Limited Partners. Currently, Giant Charm and Fortuna I SP, as the Limited Partners, proposed to make capital commitments of USD105 million (equivalent to approximately HKD815.83 million*) and USD80 million (equivalent to approximately HKD621.59 million*), respectively. The General Partner proposed to make capital commitments of USD2 million (equivalent to approximately HKD15.54 million*).

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules with reference to the total capital commitments to the Fund by Giant Charm under the Amended and Restated Limited Partnership Agreement are more than 5% but less than 25%, the entering into of the Amended and Restated Limited Partnership Agreement constitutes a discloseable transaction for the Company, and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules but exempt from shareholder's approval.

* For identification purposes only

INTRODUCTION

The Board announces that on 27 March 2021, Giant Charm (a wholly-owned subsidiary of the Company), Fortuna I SP, Selead Investment and the Initial Limited Partner entered into the Amended and Restated Limited Partnership Agreement for the admission of Giant Charm and Fortuna I SP as the Limited Partners into the Fund. Pursuant to the Amended and Restated Limited Partnership Agreement, the General Partner is targeting approximately USD300 million (equivalent to approximately HKD2,330.94 million*) in capital commitments from all existing and potential Limited Partners. Currently, Giant Charm and Fortuna I SP, as the Limited Partners, proposed to make capital commitments of USD105 million (equivalent to approximately HKD815.83 million*) and USD80 million (equivalent to approximately HKD621.59 million*), respectively. The General Partner proposed to make capital commitments of USD2 million (equivalent to approximately HKD15.54 million*).

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

The principal terms of the Amended and Restated Limited Partnership Agreement are set out below:

Date

27 March 2021

Name of the Fund

Soview International Fund LP

Parties

Selead Investment (as a general partner),
Giant Charm (as a limited partner),
Fortuna I SP (as a limited partner), and
the Initial Limited Partner

Purpose of the Fund and Investment Target

The purpose of the Fund is to identify, analyze, invest in, manage, otherwise deal with and realize investments directly or indirectly in equity and equity-linked securities of privately-held companies, with a primary focus on advanced manufacturing companies, businesses, ventures, including but not limited to those engaging in the research, development and application of new, innovative or other state-of-the-art technologies, know-hows, processes, techniques, tools, materials for the development and/or fabrication of oil and gas exploration or production equipment, new energy facilities, semiconductor devices and products. The investment objective of the Fund is to seek to generate long-term capital appreciation through such investments.

As at the date of this announcement, so far as the Company is aware, the Fund is in the course of assessing a couple of potential investment targets within the aforesaid investment scope, and no underlying agreement has been entered into. The Company will make appropriate disclosure about the investment portfolio of the Fund when and as necessary in accordance with the applicable requirements under the Listing Rules.

Term of the Fund

The term of the Fund commenced on the date when the General Partner caused the Fund to be registered with competent authorities and continue until the 5th anniversary of the Initial Closing Date (or such earlier date as determined by the General Partner in its discretion). The General Partner may extend the term of the Fund for a 2-years' period with the consent of the Limited Partners holding a Majority of the Fund Interests.

Capital Commitment

The General Partner is targeting approximately USD300 million (equivalent to approximately HKD2,330.94 million) in capital commitments from all existing and potential Limited Partners. Currently, the capital commitments of each existing Partner under the Amended and Restated Limited Partnership Agreement are set out as follows:

Partners	Capital Commitment (USD)	Percentage ^{Note}
Selead Investment	2 million (equivalent to approximately HKD15.54 million*)	1.07%
Giant Charm	105 million (equivalent to approximately HKD815.83 million*)	56.15%
Fortuna I SP	80 million (equivalent to approximately HKD621.59 million*)	42.78%
Total	187 million (equivalent to approximately HKD1,452.96 million*)	100%

Note: The percentages are calculated with reference to the total capital commitments of the existing Partners as at the date of this announcement. The actual percentage interest of the Company in the Fund, through its ownership in Giant Charm, shall depend on the actual capital contributions made by the Partners to the Fund.

General Partner may admit, before the Final Closing Date, additional Limited Partners or accept additional capital commitments from existing Limited Partners. As at the date of this announcement, so far as the Company is aware, the General Partner has not identified any potential Limited Partner that may be admitted into the Fund.

The General Partner shall, on behalf of the Fund, has the right to call for capital contributions from the Limited Partners within the respectively agreed capital commitments. If a Limited Partner fails to satisfy a capital call, the General Partner can at its discretion pursue different remedies as allowed under the Amended and Restated Limited Partnership Agreement, including but not limited to regarding such Limited Partner not having been admitted to the Fund or granting such Limited Partner a grace period to satisfy the capital call.

The Initial Limited Partner shall automatically withdraw as a limited partner and shall accordingly cease to be a limited partner of the Fund upon one or more additional persons becoming Limited Partners. After such withdrawal, the Initial Limited Partner shall have no further interest or obligation of any kind as a limited partner.

Giant Charm intends to fund any capital contribution under the Amended and Restated Limited Partnership Agreement by its internal resources. The expected total capital commitments of the Fund and the capital commitments of each Partner are determined after arm's length negotiations between the General Partner and the Limited Partners with reference to, among other factors, the estimated potential market opportunities/prospects, anticipated capital requirements of the Fund, and the investment intention of each Limited Partner.

Management of the Fund

The management and operation of the Fund and the formulation of its investment policy shall be vested exclusively in the General Partner, provided that the General Partner shall provide each Limited Partner sufficient advance notice, in any event no later than 10 business days before taking any actions or incurring any liabilities, describing the subject matter to be determined. Further, the General Partner shall obtain the consent of the Limited Partners holding a Majority Fund Interests on matters including but not limited to delegating the power of the General Partner to any person or entity for the transaction of the Fund's business, and designating one or more successors to the General Partner.

The day-to-day administration of the Fund's operations (including without limitation, performing the management and administrative services necessary for the operation of the Fund, opening, maintaining and closing accounts with banks and brokers, and retaining third parties for necessary services relating to the operation of the Fund) shall be conducted by the General Partner or its designated affiliates. The General Partner is authorized and empowered to carry out and implement any and all of the purposes and objectives of the Fund, including but not limited to receive, buy, sell, exchange, trade and otherwise deal in and with securities and other property of the Fund, incur indebtedness on behalf of the Fund, provide security over the Fund's assets (including assigning or granting the right to call for capital contributions) and guarantee the indebtedness of any portfolio investment, subject to the limitations set forth in the Amended and Restated Limited Partnership Agreement.

The Limited Partners shall take no part in the conduct, control or management of the business or affairs of the Fund, nor shall they have any authority to act for or on behalf of the Fund except as specifically permitted in the Amended and Restated Limited Partnership Agreement, subject to that each Limited Partner shall have the right to vote or provide its opinion on the affairs of the Fund in accordance with the Amended and Restated Limited Partnership Agreement, including, without limitation, to consent to or veto any matters in relation to the Fund that requires the consent of the Limited Partners.

Management Fee

In consideration for the services rendered to the Fund, the management fee payable by the Fund to the General Partner with respect to each Limited Partner shall be: (i) 2% per annum of such Limited Partner's capital commitment to the Fund during the investment period as stipulated in the Amended and Restated Limited Partnership Agreement; and (ii) 2% per annum of such Limited Partner's aggregate capital contributions attributable to the investment cost with respect to the relevant investment projects that have not been disposed of or permanently written-down.

Withdrawal and Removal of the General Partner

Unless approved by the Limited Partners holding a Majority of the Fund Interests or otherwise provided by applicable laws, the General Partner shall not, in such capacity, retire or withdraw voluntarily from the Fund or transfer all or any portion of its interest as a General Partner to a third party other than its affiliates, and no assignee or transferee of all or any portion of such interest of a General Partner shall have any right to become a General Partner without the prior consent of the Limited Partners holding a Majority of the Partnership Interests.

Limited Partners on a collective and unanimous basis may remove the General Partner as one general partner of the Fund after the occurrence of any of the following events: the General Partner has been found by final, non-appealable judgment or award by a competent court of law or tribunal to have committed an act which constitutes (i) a material breach of the Amended and Restated Limited Partnership Agreement and such breach is continuing (and not cured within 90 days) or is not able to be cured, (ii) gross negligence (which shall have the meaning given to such terms under laws of the State of Delaware, U.S.), or (iii) fraud.

Transfer of Fund Interest

With the consent of the General Partner, a Limited Partner may transfer all or a portion of its interest in the Fund. The General Partner shall not unreasonably withhold its consent with respect to any sale, transfer or assignment by a Limited Partner of its interest to an affiliate of such Limited Partner. The General Partner shall have the right of first refusal to purchase such interest, provided that terms and conditions offered by the General Partner are not substantively less favourable than those on which the transferring Limited Partner proposes to transfer the interest of the Fund to a third party.

Profit Distribution

Subject to the terms of the Amended and Restated Limited Partnership Agreement, distributable investment proceeds and other income of the Fund in excess of accrued and unpaid expenses of the Fund and relevant appropriate reserves as reasonably determined by the General Partner will be distributed at such time as determined by the General Partner in its sole discretion.

Subject to the terms of the Amended and Restated Limited Partnership Agreement, all distribution of distributable investment proceeds shall be preliminarily apportioned among all the Partners participating in the relevant portfolio investment in proportion to their respective sharing percentages as of the date of such distribution on a deal-by-deal basis. The amount so apportioned to the General Partner shall be distributed to them. Except as otherwise agreed to by the General Partner, the amount so apportioned to each of the remaining Limited Partners shall be distributed as follows:

- (1) Firstly, 100% to such Limited Partner until the cumulative amount distributed to such Limited Partner is equal to the capital contribution paid by such Limited Partner;
- (2) Secondly, 100% to such Limited Partner until a compound annual rate of return of 15% per annum on the amount as described in paragraph (1) is achieved, calculated from the date immediately following the payment due date of the applicable capital contributions through the date on which such Limited Partner has received the respective amount of distribution;
- (3) Thirdly, 100% to the General Partner until the cumulative amount distributed to the General Partner under this paragraph (3) is equal to 20% of the sum of (i) the distribution amount under this paragraph (3); and (ii) the distribution amount under paragraph (2) above; and
- (4) Lastly, 20% and 80% of any remaining balance to the General Partner and such Limited Partner, respectively.

Unless otherwise provided in the Amended and Restated Limited Partnership Agreement, distributable proceeds derived from other income shall generally be distributed among the Partners ratably in proportion to their respective interests in the assets generating such income, subject to equitable adjustment by the General Partner with the consent of the Limited Partners holding a Majority of the Fund Interests.

Loss Sharing

Subject to the Amended and Restated Limited Partnership Agreement, net losses suffered by the Fund shall be allocated among all Partners in proportion to their respective Capital Percentages.

Dissolution

The Fund shall be wound up upon occurrence of any of the following events:

- (1) The appointment of a liquidator, making of a winding up order or withdrawal, bankruptcy or dissolution of the General Partner, unless within 90 days of the Limited Partners' notification of such event all of the Limited Partners elect to continue the Fund and appoint one or more successor of the General Partner;
- (2) The expiration of the investment period as defined in the Amended and Restated Limited Partnership Agreement and the sale or other disposition of all or substantially all the assets of the Fund and the collection of all proceeds therefrom;

- (3) The later of (i) the expiration of the term of the Fund or (ii) the expiration of the term of the alternative investment vehicle as stipulated in the Amended and Restated Limited Partnership Agreement; and
- (4) The date of the occurrence of any event that would result in the winding up of the Fund pursuant to the laws and regulations of its place of registration.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

The Company owns different investments, currently comprising a portfolio of assets in the energy sector and the mobility service sector around the globe. The Company has evaluated and considered that the application of advanced manufacturing will be a major global development trend. In the latest five-year development plan of the PRC, the development of frontier technologies has become a national policy priority. The advanced manufacturing sector features a wide range of applications across different industries. As further described in the section headed “Information on the Company and the Parties” below, Mr. Dong, the sole shareholder of Selead Investment (i.e. the General Partner), has rich experience and credentials in the advanced manufacturing sector. Through the investment in the Fund, and with the additional funding from other Limited Partner(s), the Company shall be able to leverage on the knowledge and connections of the General Partner to identify and manage promising investment opportunities, while maintaining rights to evaluate and opportunity to co-invest each investment projects of the Fund in accordance with the terms and conditions of the Amended and Restated Limited Partnership Agreement.

As Giant Charm does not have power over the Fund, it will not consolidate the Fund into its financial statements.

The Directors are of the view that the Company’s participation in the Fund is in the interests of the Company and the Shareholders as a whole and the terms of the Amended and Restated Limited Partnership Agreement are on normal commercial terms and are fair and reasonable.

INFORMATION ON THE COMPANY AND THE PARTIES

The Company is an investment holding company incorporated in Bermuda with limited liability, principally engaged in the investment and management of different assets and businesses, currently including global energy assets and the mobility services business. The principal activities of its invested portfolio companies (including those which are subsidiaries) consist of mobility services platform, upstream oil and gas business, LNG liquefaction and exporting, LNG importing, processing and sales, and LNG logistics services, energy investment fund management as well as investment in energy-related and other industries and businesses.

Giant Charm is an exempted company incorporated under the laws of the British Virgin Islands, which is a wholly-owned subsidiary of the Company. Its principal business is equity investment.

The Fund is an exempted limited partnership in the Cayman Islands, which was established by the General Partner and the Initial Limited Partner on 26 March 2021. As at the date of this announcement, other than the capital contributions to be made by the Partners under the Amended and Restated Limited Partnership Agreement, the Fund has no assets or liabilities.

Selead Investment is an exempted company with limited liability incorporated under the laws of the Cayman Islands. It mainly engages in equity investment. It is 100% owned by Mr. Dong.

Mr. Dong is a well-known investor in the advanced manufacturing industry. He has over 15 years of experience in equity investment and over 22 years of experience in automobile, semi-conductor and other advanced manufacturing industries. He is a founding partner of Volcanics Venture, a venture capital fund in the PRC focusing on early-stage investments in high and new technology and healthcare industry. He was the general manager of United Automotive Electronic Systems Co. Ltd. (聯合汽車電子有限公司), a company principally engaged in the research and development, manufacturing and sale of motor management systems, power-electronic systems, chairman and CEO of Shanghai Grace Semiconductor Manufacturing Corporation (上海宏力半導體製造有限公司), a company engaged in the production of silicon chips and other related semi-conductor products, deputy general manager of Shanghai Lianhe Investment Co., Ltd. (上海聯和投資有限公司), a company engaged in the investment management of assets and businesses in the high and new technology sector, including but not limited to new materials and new energy, and chairman of Shanghai NewMargin Ventures Capital Co., Ltd. (上海聯創創業投資有限公司), a company engaged in the venture capital investment and management of assets and businesses, with a focus on high-tech enterprises with the rapid growth potential in the PRC.

Fortuna I SP is a segregated portfolio of Fortuna Growth Fund SPC, a segregated portfolio company incorporated under the laws of the Cayman Islands. Fortuna Growth Fund SPC is directly 100% owned by Fortuna Capital, its manager, which in turn is 100% owned by Mr. Chen Liqiang (陳利強先生), a sophisticated and experienced businessman. Both Fortuna I SP and Fortuna Growth Fund SPC are engaged in equity investment and management.

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, Selead Investment, Mr. Dong, Fortuna I SP, Fortuna Growth Fund SPC, Fortuna Capital and Mr. Chen Liqiang are independent third parties of the Company and connected persons thereof.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

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DEFINITIONS

“Amended and Restated Limited Partnership Agreement”	the amended and restated limited partnership agreement entered into among Selead Investment, Giant Charm, the Initial Limited Partner and Fortuna I SP on 27 March 2021
“Board”	the board of directors of the Company
“Capital Percentage”	that particular percentage as may be adjusted under the Amended and Restated Limited Partnership Agreement, and obtained separately for each Partner equal to the total amount of money contributed by such Partner divided by the aggregate amount of money contributed by all Partners
“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 same meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Final Closing Date”	the last date of the additional closing or closings held not later than 12 months (which may be extended by the General Partner with the consent of the Limited Partners holding a Majority of the Fund Interests for up to an additional 6-month period) from the Initial Closing Date
“Fund”	Soview International Fund LP, or such other name as designated by Selead Investment in accordance with the Exempted Limited Partnership Act (2018 Revision) of the Cayman Islands (as amended from time to time), being the investment fund established under the Amended and Restated Limited Partnership Agreement
“General Partner” or “Slead Investment”	Selead Investment Management Limited, being the general partner of the Fund under the Amended and Restated Limited Partnership Agreement
“Giant Charm”	Giant Charm Investments Limited, a wholly-owned subsidiary of the Company, being one of the limited partners of the Fund under the Amended and Restated Limited Partnership Agreement
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Initial Closing Date”	the payment due date of the Fund or such other date as the General Partner may determine in its sole discretion
“Initial Limited Partner”	the initial limited partner of the Fund under the Amended and Restated Limited Partnership Agreement (i.e. Mr. Dong)
“Limited Partner(s)”	limited partner(s) of the Fund under the Amended and Restated Limited Partnership Agreement
“Limited Partnership Interests”	a limited partnership interest in the Fund represented by a capital commitment to the Fund by a Limited Partner, as such, together with the obligations of such Limited Partner to comply with all the terms and provisions of the Amended and Restated Limited Partnership Agreement and of the Exempted Limited Partnership Act (2018 Revision) of the Cayman Islands (as amended from time to time) and including the right of such Limited Partner to any and all benefits to which a Limited Partner may be entitled as provided in the Amended and Restated Limited Partnership Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Majority of the Fund Interests”	more than 85% of Limited Partnership Interests (determined on the basis of the Limited Partners’ respective Voting Percentages)
“Mr. Dong”	Mr. Dong Yeshun (董葉順先生)
“Partner(s)”	partner(s) of the Fund
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	the lawful currency of the United States

“Voting Percentage” a fraction (expressed as a percentage) computed separately for each Limited Partner, the numerator of which is the capital contribution of such Limited Partner in the Fund entitled to vote on a particular matter, and the denominator of which is the aggregate capital contributions of all Limited Partners or all Partners, as applicable, so entitled to vote and in each case excluding defaulting Limited Partners pursuant to the Amended and Restated Limited Partnership Agreement

“%” per cent.

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

Hong Kong, 28 March 2021

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 illustrative purpose, the exchange rate of USD1:HKD7.7698 is applied in this announcement.*