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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)**

**CHANGE OF PRESIDENT  
AND  
DEVELOPMENT OF A NEW BUSINESS —  
ADVANCED MANUFACTURING (SEMICONDUCTOR AND SOLAR POWER)**

**CHANGE OF PRESIDENT**

The Board hereby announces that with effect from 1 December 2021:

- (1) Mr. Liu Zhihai ceased to be the President but remains as an executive Director of the Board; and
- (2) Dr. Liu Erzhuang has been appointed as the President.

**DEVELOPMENT OF A NEW BUSINESS — ADVANCED MANUFACTURING  
(SEMICONDUCTOR AND SOLAR POWER)**

The Board is pleased to announce that:

- (1) the Company intends to gradually further expand its investment in the advanced manufacturing in semiconductor and solar power industries with a business model primarily focusing on technology and solutions which provide high productivity, while continuing its existing principal business in the investment in energy-related opportunities; and
- (2) in order to promote this new business development, the Company has expanded its management expertise by introducing highly experienced new management members leading the new advanced manufacturing in semiconductor and solar power businesses.

## RESIGNATION OF PRESIDENT

The board (the “**Board**”) of directors (the “**Directors**”) of IDG Energy Investment Limited (the “**Company**”), announces that Mr. Liu Zhihai (“**Mr. Liu**”) ceased to act as the President of the Company (the “**President**”) with effect from 1 December 2021 in order to focus on his other duties in the Company. Mr. Liu remains as an executive Director.

Mr. Liu has confirmed that he has no disagreement with the Board and that he is not aware of any matters relating to his cessation as the President that need to be brought to the attention of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the shareholders of the Company.

## APPOINTMENT OF PRESIDENT

The Board is pleased to announce that Dr. Liu Erzhuang (“**Dr. Liu**”) has been appointed as the President of the Company with effect from 1 December 2021.

The biographical details of Dr. Liu are set out below:

Dr. Liu, aged 58, a Singapore national, who joined the Company in June 2021 as Executive Vice President, has extensive experience in the semiconductor industry. In 1993, Dr. Liu joined Chartered Semiconductor Manufacturing Ltd. (a major semiconductor foundry in the world) and held different engineering and operations management positions. In 2002, he joined Shanghai Advanced Semiconductor Co., Ltd. as the director of operations. In 2004, he joined Lam Research Corporation (a leading semiconductor equipment company engaging in the design and fabrication of semiconductor equipment, and listed on NASDAQ) as the deputy general manager of China. From 2012 to 2014, he served as the general manager of Cree (an innovative semiconductor group specializing in LED and RF devices, the holding company of which is listed on the New York Stock Exchange) in China, and was responsible for sales in mainland China and Hong Kong and the factory base in Huizhou, leading the factory operations of 3,000 employees in the two factories. In 2014, He again joined Lam Research Corporation as corporate vice president and general manager of China. In 2020, he joined Tsinghua Unigroup (a major semiconductor manufacturing, communication, and networking group in China) as executive vice president. Dr. Liu graduated from Xi’an Jiaotong University, majoring in semiconductor physics and devices, and received a Ph.D. from the University of Dundee in the United Kingdom. He is also a postdoctoral fellow at Harvard University in the United States and an MBA from the National University of Singapore.

The Board would like to express its warmest welcome to Dr. Liu on his appointment.

## **DEVELOPMENT OF ADVANCED MANUFACTURING — SEMICONDUCTOR AND SOLAR POWER BUSINESS**

The Board of the Company, for the purpose of keeping the shareholders of the Company (the “**Shareholders**”) and potential investors informed of the latest development of the Company, hereby announces that:

- (1) the Company intends to expand its investment in the advanced manufacturing in semiconductor and solar power industries with a business model primarily focusing on technology and solutions which provide high productivity, while continuing with its existing principal business in the investment in energy-related opportunities; and
- (2) in order to promote this new business development, the Company has expanded its management expertise by introducing highly experienced new management members leading the new advanced manufacturing in semiconductor and solar power businesses.

### **Reasons for the New Business Development**

The Company has been reviewing the advanced manufacturing (semiconductor and solar power) industry developments in China and the global market. The Company has agreed to invest in a fund of which the investment objective is to identify, invest in, and manage companies with a primary business focusing on advanced manufacturing including but not limited to those developing and/or fabricating semiconductor and solar power devices and products.

The current new business development represents another milestone initiative of the Company in developing this promising line of investment.

According to reputable market projections, it is estimated that the global semiconductor market will reach US\$400 billion in 2021, and will achieve US\$900 billion by 2030. The global sales of semiconductor manufacturing equipment by original equipment manufacturers are forecast to reach US\$95.3 billion in 2021 comparing to US\$92.4 billion in 2020. The rapid development of smaller chips is expected to comply with more stringent requirements and new solutions for fabrication equipment. To capitalise on these market developments, the Company plans to gradually further expand its investment in opportunities relating to semiconductor equipment. In addition to the semiconductor industry, the solar power industry is another major advanced business that the Company will develop in the future. According to Bloomberg New Energy Finance (BNEF), the LCOE of Solar (levelized cost of electricity) has decreased by more than 80% over the past 10 years, where China has reached grid parity in 2020, which would speed up the industry growth in the future. According to reputable market forecasts, the global solar module market is estimated to reach US\$46.9 billion in 2021 and US\$78.1 billion in 2030, and the corresponding market size of the solar cell equipment market will reach US\$5.6 billion in 2030.

The Company is in the process of identifying and evaluating good investment opportunities in this industry segment. The Company will issue further announcements as and when required under the Listing Rules for any significant investment and business development.

## **Expansion of Management Team and Expertise**

The manufacturing of semiconductor and solar cells equipment shares a lot in common in mechanics, design, supply chain and customer support. The Company aims to build core competencies to synergize the equipment business in both semiconductor and solar cells. The core team members for the new business have working experience in top-tier companies in advanced manufacturing related upstream and downstream companies globally with average working experience in the industry of more than 15 years. The majority of the team members hold a master's degree or above and possess outstanding technical and management expertise, abundant practical experience in research and development, production and operation of semiconductor equipment, and in-depth analysis and understanding of the market and customer needs. The core management and technical team are expected to quickly implement an organizational knowledge and experience inheritance mechanism, talent development and incentive mechanism, and a fair and transparent appraisal system so as to establish a sound and stable talent team for facilitating the long-term development of this business. Dr. Liu will be leading this management team for this new business development.

## **Expected Commercial Benefits and Prospect**

The Board considers this diversification and expansion plan will allow the Company to enlarge its business portfolio into the rapidly developing areas of equipment manufacturing for semiconductor and solar cells, turning opportunity into business, diversifying and broadening its income stream and revenue base, which potentially leads to enhancing its financial performance by leveraging the expertise and networking of Dr. Liu and the other core team members. The Board considers that the new business development is in the best interests of the Company and the Shareholders as a whole.

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

Hong Kong, 1 December 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; 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*