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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)

**UPDATE ON DEVELOPMENT OF ADVANCED MANUFACTURING —
SEMICONDUCTOR AND SOLAR POWER BUSINESS; AND
ENTERING INTO THE MANUFACTURING
AND SUPPLY AGREEMENT**

This announcement is made by IDG Energy Investment Limited (the “**Company**”) on a voluntary basis.

**UPDATE ON DEVELOPMENT OF ADVANCED MANUFACTURING —
SEMICONDUCTOR AND SOLAR POWER BUSINESS**

Reference is made to the announcement of the Company dated 1 December 2021 in relation to, among others, the development of a new business — advanced manufacturing (semiconductor and solar power).

In order to promote this new business development, the Company is in the process of site selection for the new advanced manufacturing facility in semiconductor and solar power businesses. It is expected that the Company’s manufacturing facility and personnel will be available for production in the first half of 2022.

ENTERING INTO THE MANUFACTURING AND SUPPLY AGREEMENT

The board of directors (the “**Directors**”) of the Company (the “**Board**”) is pleased to announce that on 27 January 2022 (after trading hours), the Company entered into a manufacturing and supply agreement (the “**Agreement**”) with a new customer, which is principally engaged in manufacturing wet processing equipment (the “**Customer**”). To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Customer and its ultimate beneficial owners are independent third parties of the Company and its connected persons as at the date of this announcement.

Pursuant to the Agreement, the Company shall manufacture and supply to the Customer the selected wet chemical and similar equipment (the “**Products**”) for a term of five years commencing before February 2022. The Customer will grant an exclusive and royalty-free license to the Company to use its manufacturing know-how for the purpose of manufacturing of the Products during the term of the Agreement. The Customer shall not, without the

Company's consent, manufacture the Products in the same segments, enter into any manufacturing arrangement or purchase the Products from anyone other than the Company in the PRC (for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan). The Customer will also make the yearly quantity commitment to the Company and guarantee to purchase the minimum quantities of the Products from the Company at the price specified in the Agreement.

REASONS AND BENEFITS FOR ENTERING INTO THE MANUFACTURING AND SUPPLY AGREEMENT

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. The Customer is a leading enterprise in the global industry of wet processing equipment, serving key customers from various high-tech industries worldwide with valuable and innovative wet-chemical solutions. Against the backdrop that China boasts the largest market for solar power, taking into account the Company's long-term business relationship with the Customer, the Directors consider that the manufacturing and supply of the Products under the Agreement forms an integral part of the business of the Company, and by engaging as an original equipment manufacturer, the Company is in a win-win cooperation to achieve further expansion of its business while lowering production costs for the Customer, thus enlarging its product competitiveness and market share. The Directors also consider that the entering into of the Agreement, as a step by the Company to further tap into the opportunities in the advanced manufacturing in semiconductor and solar power industries, will enable the Company to strengthen the business, thus promoting the development of the new business.

The Board is of the view that the Agreement is entered into in the ordinary and usual course of business of the Company, on normal commercial terms, and the terms are fair and reasonable and in the interests of the Company and its shareholders as a whole.

GENERAL

The transactions contemplated under the Agreement do not constitute any notifiable transaction of the Company under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Company will make further announcement(s) as and when appropriate if required.

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

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

Hong Kong, 28 January 2022

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*