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China International Development Corporation Limited
中聯發展控股集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 264)

VOLUNTARY ANNOUNCEMENT
MEMORANDUM OF UNDERSTANDING

This announcement is made by the board (the "**Board**") of directors (the "**Directors**") of China International Development Corporation Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis.

MEMORANDUM OF UNDERSTANDING

The Board announces that, on 6 January 2026, the Company and Powex Limited ("**Partner**") entered into a non-legally binding memorandum of understanding (the "**MOU**"), pursuant to which the Company intends to establish a strategic partnership with the Partner to share resources and explore the establishment of an advanced power semiconductor technology research and development (R&D) center in Hong Kong ("**Cooperation Project**"). The R&D center will be based in Hong Kong, with a global reach, aiming to become a technological innovation hub in the field of third-generation power semiconductors. The R&D center will focus on wide-bandgap semiconductor technologies such as silicon carbide (SiC) and gallium nitride (GaN), building a complete R&D system from materials research to system applications, driving innovation in power electronics technology, and serving global energy transition and green industry development. The R&D center will conduct systematic research around four core directions: first, product design, covering high-voltage, high-frequency chip structure innovation, dedicated device development, and advanced simulation modeling; second, testing and reliability, establishing an international standard testing system, and conducting in-depth research on failure mechanisms and application scenario verification; third, application development, providing complete solutions covering topology, drive, and thermal management for key areas such as new energy vehicles and renewable energy; and fourth, advanced manufacturing technology, focusing on tackling key challenges in epitaxial growth, key process optimization, and intelligent manufacturing cost control, building a complete technology chain from design to mass production.

The principal terms of the MOU are as follows:

Date: 6 January 2026

Parties: (1) the Company; and

(2) Powex Limited

The Partner is a wholly-owned subsidiary of Lonten Semiconductor Co., Ltd. ("**Lonten Semiconductor**"). Lonten Semiconductor is a limited company registered and incorporated in Shaanxi Province, China. Its single largest shareholder and chairman is Mr. Xu Xichang (徐西昌), who directly and indirectly holds approximately 30.59% of the equity of Lonten Semiconductor. Its second largest shareholder is Xi'an Xitou Longke Investment Partnership Enterprise (Limited Partnership)* (西安西投龍科投資合伙企業（有限合伙）), which directly holds approximately 19.84% of the equity of Lonten Semiconductor. The remaining approximately 49.57% equity is held by 36 shareholders. Xi'an Xitou Longke Investment Partnership Enterprise (Limited Partnership)* (西安西投龍科投資合伙企業（有限合伙）) is owned as to approximately 69.88% by Xi'an Investment Holding Co., Ltd.* (西安投資控股有限公司), a wholly state-owned enterprise, directly.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Partner, its shareholders and their respective ultimate beneficial owners are third parties independent of and not connected with the Company and its connected person (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Form of Cooperation

The Cooperation Project may adopt various business models (including but not limited to cooperation, joint venture, etc.) to jointly establish a third-generation power semiconductor technology R&D center in Hong Kong with universities and/or third-party institutions in Hong Kong.

Exclusivity Period of the MOU

The Partner undertakes to the Company that it will not discuss or negotiate, enter into agreements or understandings with any other persons regarding the Cooperation Project during the six (6) month period commencing from the date of the MOU (the "**Exclusivity Period**"). The Exclusivity Period may be extended by mutual written agreement between the parties.

The parties will procure entering into a formal agreement for the Cooperation Project on or before the expiry of the Exclusivity Period.

Information on the Partner

The Partner is a company incorporated in Hong Kong with limited liability, which is a wholly-owned subsidiary of Lonten Semiconductor. Lonten Semiconductor is a leading provider of power semiconductor devices and system solutions, and a key enterprise in the key industrial chain (semiconductors and integrated circuits) of Shaanxi Province, China (it is also a Specialized, Refined, Unique and Innovative "Little Giant" Enterprise* (專精特新"小巨人"企業) recognized by the Ministry of Industry and Information Technology of China).

Reasons for and Benefits of the Cooperation Project

The Group is principally engaged in (a) the manufacture and distribution of leather products; (b) retail of fashion apparel, footwear and leather accessories; (c) the industrial hemp plating and production of hemp fabric products; and (d) the provision of automobile services.

Lonten Semiconductor and its subsidiaries are power semiconductor IDM enterprises primarily engaged in R&D and design, wafer manufacturing, module packaging, and testing applications, focusing on providing efficient, reliable and cost-effective power devices and system solutions.

The parties intend to establish a research team through the Cooperation Project, conduct business cooperation under the premise of legality and compliance, achieve mutual benefit through the sharing of advantageous resources, and leverage Lonten Semiconductor's experience in power semiconductor product design, process development, production operation and other aspects to jointly realize the Cooperation Project.

The Group has been actively seeking to expand its business in order to diversify its operations and extend into areas with growth potential. The Board believes that the MOU and the Cooperation Project thereunder are consistent with the Company's development strategy, that the terms are fair and reasonable, and that the Cooperation Project are in the interests of the Company and its shareholders as a whole, and will create sustainable value for the shareholders of the Company.

General

The MOU aims to establish an initial mutual understanding among the parties regarding the Cooperation Project. Except for the Exclusivity Period and confidentiality clauses, the MOU will not in any way constitute any legal liability for any of the parties. If the Cooperation Project is materialized, it may constitute a notifiable transaction of the Company under the Listing Rules or other applicable regulatory transaction. If the parties enter into a formal agreement or decide to terminate the MOU, or if there is any material development in the Cooperation Project, the Company will issue further announcement in accordance with the Listing Rules or other applicable regulations as and when appropriate.

Shareholders and/or investors of the Company should note that as the parties have not entered into a formally binding document and negotiations are still ongoing, the Cooperation Project may or may not be materialized. Shareholders and/or investors of the Company are advised to exercise caution when dealing in the Company's securities.

By order of the Board
China International Development Corporation Limited
Siu Miu Man, Simon
Co-Chairman and Executive Director

Hong Kong, 6 January 2026

As at the date of this announcement, the executive Directors Mr. Siu Miu Man, Simon, MH, Mr. Fan Xin, Mr. Qin Bohan, Mr. Leung Wai Kit, Mr. Chiang Chien Chih, Mr. Ying Yong and Mr. Lei Zhengbiao; and the independent non-executive Directors are Ms. Jia Lixin, Ms. Chen Mengsi, Ms. Ye Duan and Mr. Peng Zuoquan.

** For identification purpose only.*