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中國碳中和發展集團有限公司 China Carbon Neutral Development Group Limited

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 1372)

Voluntary Announcement Major Business Progress – China Carbon Neutral Development Group Completed Acquisition of More Than 3 Million Tons of International Voluntary Emission Reduction

This is a voluntary announcement made by China Carbon Neutral Development Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

The board of the directors of the Company is pleased to announce that the Group has successfully acquired Voluntary Emission Reductions (“VER”) of approximately 1.5 million tons of CO₂e recently. The carbon credit assets comply with the standard of Gold Standard (“GS”) and Verified Carbon Standard (“VCS”) and are formally issued as globally tradable and well acceptable high quality carbon credit assets originated from the Voluntary Emission Reductions generated from various projects such as biomass power generation, solar pv power generation, landfill gas recovery and power generation, and coal mine methane power generation. The aforementioned assets have been deposited into the Group’s own accounts in Gold Standard and VERRA, the two largest international voluntary carbon credit asset trading platforms in the world, and become the Group’s spot inventory of carbon credit assets of high quality respectively. At the same time, the Group has successfully purchased approximately 660,000 tons of Voluntary Emission Reductions futures to be issued during the year and approximately one million tons of Voluntary Emission Reductions futures to be issued for 12 years starting from 2022.

ADVANTAGES AND BENEFITS OF SUCCESSFUL COMPLETION OF ACQUISITION OF MORE THAN 3 MILLION TONS OF INTERNATIONAL VOLUNTARY EMISSION REDUCTION

The Board believes that the acquisition of high-quality spot carbon credit assets and carbon credit futures has quickly turn the Group into one of the largest holders of carbon credit assets in the Asia-Pacific region, fully demonstrating the Group's unique advantages in the exploration, sourcing and management of carbon assets, which lay a solid foundation for the Group to become a major carbon asset dealer and manager in the Asia-Pacific region. The Group plans to continue to actively participate in the trading of major global carbon assets markets and build up proprietary carbon asset portfolio to further develop the Group's innovative asset management strength in carbon assets. As China is going to launch a national carbon asset exchange, the Group has worked out detailed strategy to grasp the opportunity by leveraging on the Group's strengths in the talent and technology to build a solid competitive edge in onshore carbon asset make and fully realize the synergy from the Group's strength in offshore carbon asset market.

By order of the Board
China Carbon Neutral Development Group Limited
Gao Gunter
Chairman

Hong Kong, 21 May 2021

As at the date of this announcement, the executive Directors are Dr. Gao Gunter, Mr. Chen Xinwei, Dr. Cui Dingjun, Mr. Di Ling, Mr. Chen Lei and Mr. Artem Matyushok; and the independent non-executive Directors are Mr. Ip Mei Shun, Mr. Leung Tsz Wing and Mr. Yu Wai Chun.