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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 the Cayman Islands with limited liability)
(Stock code: 1372)

GRANT OF SHARE OPTIONS

This announcement is made by China Carbon Neutral Development Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.06A of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company is pleased to announce that, on 20 September 2022 (after trading hour), it has resolved to grant a total of 16,500,000 share options (“**Options**”) to two eligible participants (each a “**Grantee**”), and collectively, the “**Grantees**”) to subscribe for an aggregate of 16,500,000 new ordinary shares of HK\$0.01 each in the share capital of the Company (each a “**Share**”) under the share option scheme (the “**Share Option Scheme**”) adopted by the Company on 29 March 2016, subject to (among others) the acceptance of the Grantees.

Among the Options granted, (i) 13,500,000 Options are proposed to be granted to Mr. Chen Xinwei (“**Mr. Chen**”), an executive Director and the Chief Executive Officer of the Group, subject to the approval of the shareholders of the Company (the “**Shareholders**”) at an extraordinary general meeting to be convened by the Company (the “**EGM**”); and (ii) 3,000,000 Options are granted to Dr. Jiang Dongmei (“**Dr. Jiang**”), the Chief Scientific Officer and chairman of the Strategic Development Committee of the Group.

Save as disclosed above, none of the Grantees is a Director, chief executive or substantial shareholder (as defined under the Listing Rules) of the Company or any of their respective associates (as defined under the Listing Rules).

Details of the grant of Options are set out below:

Date of the grant:	20 September 2022 (the “ Date of Grant ”)
Number of Options granted:	a total of 16,500,000 Options, of which 13,500,000 Options are proposed to be granted to Mr. Chen, subject to the Shareholders’ approval at the EGM; and of which 3,000,000 Options are granted to Dr. Jiang. Each Option shall entitle the holder thereof to subscribe for one Share.
Exercise price of the Options:	HK\$2.494 per Share, being no less than the highest of : (i) the closing price of HK\$2.460 per Share as stated in the Stock Exchange’s daily quotation sheet on the Date of Grant;

- (ii) the average closing price of HK\$2.494 per Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Date of Grant; and
- (iii) the nominal value of HK\$0.01 per Share.

Consideration for the Options: HK\$1.00 to be paid by each Grantee upon acceptance of the Options granted.

Vesting period of the Options: The 13,500,000 Options proposed to be granted to Mr. Chen shall be vested on the date on which the relevant Shareholders' approval are obtained. Whereas, the Options granted to Dr. Jiang shall be vested on the Date of Grant.

Validity period of the Options: 10 years from the Date of Grant, being from 20 September 2022 to 19 September 2032.

LISTING RULES IMPLICATION

Pursuant to Rule 17.04(1) of the Listing Rules and the terms of Share Option Scheme, each grant of options to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by independent non-executive Directors. Accordingly, the proposed grant of Options to Mr. Chen has been approved by the independent non-executive Directors.

Pursuant to the note to Rule 17.03(4) of the Listing Rules and the terms of the Share Option Scheme, where the total number of Shares issued and to be issued upon exercise of the Options granted to a person (including both exercised and outstanding Options) in any 12-month period exceed 1% of the relevant class of Shares in issue, such grant must be approved by the Shareholders in general meeting. The grantee and his associates must abstain from voting at the general meeting.

As the total number of Shares issued and to be issued upon exercise of the Options proposed to be granted to Mr. Chen would exceed 1% of the Shares in issue in a 12-month period, the proposed grant of Options carrying the rights to subscribe for 13,500,000 new Shares to Mr. Chen will therefore be subject to the approval of the Shareholders at the EGM where Mr. Chen and his associates shall abstain from voting in the relevant resolution at the EGM.

A circular containing, among other things, further information in relation to the grant of the Options to Mr. Chen, together with the notice of the EGM, will be despatched to the Shareholders in due course.

By order of the Board
China Carbon Neutral Development Group Limited
Chan Tan Na Donna
Chairman

Hong Kong, 20 September 2022

As at the date of this announcement, the executive Directors are Ms. Chan Tan Na Donna, Mr. Chen Xinwei, Mr. Di Ling and Mr. Chen Lei; the non-executive Director is Mr. Lam Po Foon; and the independent non-executive Directors are Dr. Guo Yike, Mr. Wang Anyuan and Dr. Li Qun.