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If you have sold or transferred all your shares in **China Carbon Neutral Development Group Limited** (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE NEW SHARES
AND TO REPURCHASE SHARES;**
(2) PROPOSED RE-ELECTION OF DIRECTORS;
**(3) PROPOSED AMENDMENTS TO THE MEMORANDUM AND THE ARTICLES
AND ADOPTION OF
THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company (the “**AGM**”) to be held at Unit 1808, 18/F, Landmark South, 39 Yip Kan Street, Wong Chuk Hang, Hong Kong on Wednesday, 28 June 2023 at 10:00 a.m. is set out on pages 28 to 32 of this circular. A form of proxy for use at the AGM (or any adjournment thereof) is enclosed herewith.

Whether or not you are able to attend and vote at the AGM (or any adjournment thereof), you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the AGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM (or any adjournment thereof) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

27 April 2023

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DEFINITIONS

In this circular, the following expressions have the following meanings, unless the context otherwise requires:

“AGM”	the annual general meeting of the Company convened to be held at Unit 1808, 18/F, Landmark South, 39 Yip Kan Street, Wong Chuk Hang, Hong Kong on Wednesday, 28 June 2023 at 10:00 a.m. or any adjournment thereof, notice of the AGM (or any adjournment thereof) is set out on pages 28 to 32 of this circular
“Amended and Restated Memorandum and Articles”	second amended and restated memorandum of association and the amended and restated articles of association of the Company incorporating and consolidating all the Proposed Amendments, proposed to be adopted at the AGM
“Articles”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Companies Act”	the Companies Act (As Revised) of the Cayman Islands
“Company”	China Carbon Neutral Development Group Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1372)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	21 April 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Memorandum”	the memorandum of association of the Company currently in force
“Nomination Committee”	the nomination committee of the Board

DEFINITIONS

“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“Proposed Amendments”	the proposed amendments to the Memorandum and the Articles as set out in Appendix III to this circular
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)” or “Member(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



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)

Directors:

Executive Directors:

Mr. Sha Tao
Mr. Chen Xinwei
Mr. Di Ling
Mr. Chen Lei

Non-executive Director:

Mr. Lam Po Foon

Independent non-executive Directors:

Dr. Guo Yike
Mr. Wang Anyuan
Dr. Li Qun

Registered Office:

89 Nexus Way, Camana Bay
Grand Cayman KY1-9009
Cayman Islands

*Head Office and Principal Place of
Business in Hong Kong:*

Unit 1808,18/F
Landmark South
39 Yip Kan Street
Wong Chuk Hang, Hong Kong

27 April 2023

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE NEW SHARES
AND TO REPURCHASE SHARES;**
(2) PROPOSED RE-ELECTION OF DIRECTORS;
**(3) PROPOSED AMENDMENTS TO THE MEMORANDUM AND THE ARTICLES
AND ADOPTION OF
THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES;**
AND
(4) NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the resolutions to be proposed at the AGM to be held at Unit 1808, 18/F, Landmark South, 39 Yip Kan Street, Wong Chuk Hang, Hong Kong on Wednesday, 28 June 2023 at 10:00 a.m. including (i) grant of the New Issue Mandate

LETTER FROM THE BOARD

to the Directors; (ii) grant of the New Repurchase Mandate to the Directors; (iii) extension of the New Issue Mandate; (iv) re-election of Directors; and (v) Proposed Amendments to the Memorandum and the Articles; and to give you notice of the AGM.

PROPOSED GRANT OF GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES

At the annual general meeting of the Company held on Wednesday, 29 June 2022, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares respectively. These general mandates will lapse at the conclusion of the AGM. In order to give the Company the flexibility to issue and repurchase Shares if and when appropriate, the following ordinary resolutions will be proposed at the AGM to approve the grant of the new general mandates to the Directors:

- (i) to allot, issue or deal with Shares of an aggregate nominal amount not exceeding 20% of the total nominal amount of the issued share capital of the Company as at the date of passing of such resolution (i.e. an aggregate nominal amount of Shares on the basis that the existing issued share capital of the Company remains unchanged as at the date of the AGM) (the “**New Issue Mandate**”);
- (ii) to purchase Shares, on the Stock Exchange or on any other stock exchange recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange, of an aggregate nominal amount not exceeding 10% of the total nominal amount of the issued share capital of the Company as at the date of passing of such resolution on the basis that the existing issued share capital of the Company remains unchanged as at the date of the AGM) (the “**New Repurchase Mandate**”); and
- (iii) to extend the New Issue Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company pursuant to and in accordance with the New Repurchase Mandate.

The New Issue Mandate and the New Repurchase Mandate, if granted, will remain effective until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Articles to be held; or (iii) the revocation or variation by an ordinary resolution of the Shareholders in general meeting.

In accordance with the requirements of the Listing Rules, the Company shall send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the New Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the New Repurchase Mandate is set out in Appendix I to this circular.

PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 84(1) of the Articles, each of Mr. Chen Xinwei (an executive Director), Mr. Chen Lei (an executive Director) and Mr. Lam Po Foon (a non-executive Director) will retire from office by rotation and, being eligible, will offer himself for re-election at the AGM.

LETTER FROM THE BOARD

In accordance with Article 83(3) of the Articles, Mr. Sha Tao (an executive Director), shall hold office only until the AGM and being eligible, offer himself for re-election at the AGM.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the character and integrity, professional qualifications, skills, knowledge and experience of the Directors that are relevant to the Company's business and corporate strategy with reference to the nomination procedures and criteria set out in the Company's Board Diversity Policy and Nomination Policy. The Nomination Committee has recommended to the Board that the re-election of all the above-mentioned Directors be proposed for the Shareholders' approval at the AGM.

The particulars of Mr. Chen Xinwei, Mr. Chen Lei, Mr. Lam Po Foon and Mr. Sha Tao are set out in Appendix II to this circular.

PROPOSED AMENDMENTS TO THE MEMORANDUM AND THE ARTICLES AND ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES

The Board proposes to amend the Memorandum and the Articles to give effect to, among others, the following:

1. to bring the Memorandum and the Articles to conform to the core shareholder protection standards that apply to all issuers to provide the same level of protection to all investors as set out in Appendix 3 to the Listing Rules;
2. to update the definition of "Companies Law" or "Law" to mean the Companies Act (As Revised) as currently in force in the Cayman Islands;
3. to update the provision governing any loan, guarantee or security to be provided by the Company to a Director or his close associates in accordance with the Companies Ordinance (Cap. 622 of the laws of Hong Kong), following the modification of "associate" to "close associate"; and
4. to make other housekeeping amendments, including making consequential amendments in line with the above amendments to the Memorandum and the Articles.

The full particulars of the Proposed Amendments are set out in Appendix III to this circular. In view of the number of proposed changes, the Board proposes to seek approval of the Shareholders by special resolution at the AGM to amend the Memorandum and the Articles by way of adoption of the Amended and Restated Memorandum and Articles.

The Amended and Restated Memorandum and Articles is written in English only. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of the Amended and Restated Memorandum and Articles is purely a translation only. Should there be any discrepancy, the English version shall prevail.

LETTER FROM THE BOARD

The legal advisers to the Company as to Hong Kong laws have confirmed that the Proposed Amendments conform to the requirements of the Listing Rules and the legal advisers to the Company as to the laws of Cayman Islands have confirmed that the Proposed Amendments do not violate the Cayman Islands law. The Company confirms that there is nothing unusual about the Proposed Amendments to the Articles for a company listed on the Stock Exchange.

CLOSURE OF REGISTER OF MEMBERS

For determining the Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 23 June 2023 to Wednesday, 28 June 2023, both days inclusive, during which no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of Shares should ensure that all the share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 21 June 2023.

ANNUAL GENERAL MEETING

The notice of the AGM, which contains, among others, the ordinary resolutions to approve the New Issue Mandate, the New Repurchase Mandate and the extension of the New Issue Mandate and the re-election of Directors, and the special resolution to approve the Proposed Amendments and the adoption of the Amended and Restated Memorandum and Articles is set out on pages 28 to 32 in this circular.

A form of proxy for use at the AGM (or any adjournment thereof) is enclosed with this circular. Whether or not you are able to attend the AGM (or any adjournment thereof), you are requested to complete and return the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event, no later than 48 hours before the time fixed for holding the AGM (or any adjournment thereof). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM (or any adjournment thereof) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting of the Company must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the AGM. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RESPONSIBILITY OF THE DIRECTORS

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their

LETTER FROM THE BOARD

knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Board believes that the resolutions proposed in the notice of the AGM are in the best interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favor of all the resolutions to be proposed at the AGM (or any adjournment thereof).

MISCELLANEOUS

The English test of this circular shall prevail over the Chinese text in case of discrepancy.

Yours faithfully,
For and on behalf of the Board
China Carbon Neutral Development Group Limited
Sha Tao
Chairman

This explanatory statement contains the information required under Rule 10.06(1)(b) of the Listing Rules. Its purpose is to provide the Shareholders with information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolutions to be proposed at the AGM in relation to the New Repurchase Mandate.

1. REASONS FOR REPURCHASE OF SHARES

The Directors have no present intention for any repurchase of Shares but are seeking the grant of the New Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The Directors believe that it is in the best interests of the Company, the Group and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company, the Group and the Shareholders.

The New Repurchase Mandate, if granted, will become effective from the date of passing of the ordinary resolution granting the same until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Articles to be held; or (iii) the revocation or variation by an ordinary resolution of the Shareholders in general meeting.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 326,500,000 Shares.

Subject to the passing of the ordinary resolution granting the New Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged as at the date of the AGM, the Directors would be authorised under the New Repurchase Mandate to repurchase, during the period in which the New Repurchase Mandate remains in force, a maximum of 32,650,000 Shares being 10% of the aggregate nominal amount of Shares in issue as at the date of the AGM.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws of the Cayman Islands.

Pursuant to the New Repurchase Mandate, repurchases will be made out of funds of the Company legally permitted to be utilised in this connection, including profits of the Company or out of a fresh issue of Shares made for the purpose of the repurchase or out of share premium account or, if authorised by the Articles and subject to the Companies Act, out of capital of the Company and, in the case of any premium

payable on the repurchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles and subject to the Companies Act, out of capital of the Company.

The Directors do not propose to exercise the New Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company which, in the opinion of the Directors, are from time to time appropriate for the Company. There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2022) in the event that the New Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period.

4. INTENTION OF DIRECTORS AND CONNECTED PERSONS TO SELL SHARES

None of the Directors nor, to the best of their knowledge and belief, having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), has any present intention, if the New Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company or its subsidiaries.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell Shares to the Company, or that they have undertaken not to do so, in the event that the grant of the New Repurchase Mandate is approved by the Shareholders.

5. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the 12 months preceding the Latest Practicable Date were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
April	3.98	3.23
May	3.79	3.11
June	3.42	2.80
July	3.44	2.80
August	3.15	2.81
September	2.90	2.14
October	2.50	1.00
November	2.85	2.29
December	2.74	2.37
2023		
January	2.51	2.18
February	2.47	2.01
March	2.36	1.79
April (up to the Latest Practicable Date)	2.04	1.84

6. SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous 6 months (whether on the Stock Exchange or otherwise).

7. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the New Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

8. EFFECT OF TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

Assuming that no further Shares will be allotted and issued or repurchased from the Latest Practicable Date to the date of the AGM, on exercise in full of the New Repurchase Mandate, the number of issued Shares will decrease from 326,500,000 to 293,850,000.

As at the Latest Practicable Date, to the best of the knowledge, information and belief of the Directors and on the basis of the shareholding of the Company as at the Latest Practicable Date, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as result of any purchase of Shares made under the New Repurchase Mandate, since none of the substantial Shareholders would hold 30% or more of the shareholding of the Company after the repurchase.

The Directors have no intention to exercise the New Repurchase Mandate to such an extent that will result in any mandatory offer being required under the Takeovers Code or will result in the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

Set out below are details of the Director who will retire at the conclusion of the AGM and will be proposed to be re-elected at the AGM:

Mr. Chen Xinwei, *Executive Director*

Mr. Chen Xinwei, aged 47, has been appointed as an executive Director since 2 March 2021. Mr. Chen is also the Chief Executive Officer of the Company. Mr. Chen is responsible for leading the Group's Carbon Neutral Business and participates in the formulation of strategies of the Carbon Neutral Business and mobilizes the resources of the Group to ensure the implementation of related businesses. Mr. Chen holds a bachelor's degree in Economics from the Peking University and a master's degree in Finance from the Hong Kong University of Science and Technology. Mr. Chen has more than 20 years of experience in the global capital markets and has outstanding expertise in the financial and asset management fields. Mr. Chen served as the chairman of Sinocon Holdings International Limited, engaging in cross-border financial services and cross-border financial investment. He worked for many well-known financial institutions such as Nomura, UBS and Merrill Lynch. Mr. Chen is currently an independent non-executive director of Shenzhen Infogem Technologies Co., Ltd., a company whose shares are listed on Shenzhen Stock Exchange (stock code: 300085). Mr. Chen is the director of certain subsidiaries of the Company, namely Green Carbon Asset Management Limited and Global Carbon Asset Investment Management, Ltd.

Mr. Chen has entered into a letter of appointment with the Company which may be terminated by either party giving to the other not less than one-month prior notice in writing, subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles. Mr. Chen is currently entitled to an emolument of HK\$60,000 per month which has been determined by reference to his background, qualifications, experience, level of responsibilities to be undertaken with the Company and prevailing market conditions.

As at the Latest Practicable Date, Mr. Chen has interest in 13,500,000 underlying shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Chen does not (1) hold any other positions in the Group nor does he hold any directorship in any other listed public companies in the last three years; (2) does not have any relationship with any other Director, senior management, substantial shareholder, or controlling shareholder of the Company.

Mr. Chen Lei, *Executive Director*

Mr. Chen Lei, aged 59, has been appointed as an executive Director since 13 May 2021. Mr. Chen Lei is a well-known expert in the field of ecological construction in China. He graduated from Beijing Normal University with a degree in Chinese language in 1986. After the 1990s, Mr. Chen Lei moved into the television industry. And after the year of 2000, he left media industry and entered ecological field, serving as the Director of the propaganda department of Working Committee of Eco-China under the State Forestry Administration, the Director of the propaganda department, an executive vice president and deputy secretary general of Strategy and Development Research Institution of China Eco Development Association.

Currently, he is the secretary-general of China Eco Development Association, and the Chairman of the Tree-Planting & Wood-Fostering Committee of the Company. Mr. Chen Lei was an executive director of a Hong Kong listed company, Xinyang Maojian Group Limited, from 24 April 2019 to 3 May 2021.

Mr. Chen Lei has entered into a letter of appointment with the Company which may be terminated by either party giving to the other not less than one-month prior notice in writing, subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles. Mr. Chen Lei is currently entitled to an emolument of HK\$50,000 per month which has been determined by reference to his background, qualifications, experience, level of responsibilities to be undertaken with the Company and prevailing market conditions.

As at the Latest Practicable Date, Mr. Chen does not have any interest in shares and underlying shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Chen Lei does not (1) hold any other positions in the Group nor does he hold any directorship in any other listed public companies in the last three years; (2) does not have any relationship with any other Director, senior management, substantial shareholder, or controlling shareholder of the Company.

Mr. Lam Po Foon, *Non-executive Director*

Mr. Lam Po Foon, aged 61, has been appointed as a non-executive Director since 10 August 2021. Mr. Lam is a bachelor of University of Salford, Manchester in the United Kingdom, and started his career in a company under General Electric in the United Kingdom. He has been involved in the financial field since the late 1980s. He has worked in securities, commodity futures and financial venture capital companies in Hong Kong, the United Kingdom, Ireland, the United States and other places, and has accumulated rich experience in financial investment and risk management. Subsequently, Mr. Lam founded his independent family office, focusing on his own wealth management and inheritance planning, and the main areas involved include life technology, clean energy, green finance and financial technology. In 2017, while managing his independent family office, Mr. Lam co-founded a Hong Kong-licensed trust company – Wealth Assets Trustee Limited and served as the chairman.

Mr. Lam has entered into a letter of appointment with the Company which may be terminated by either party giving to the other not less than one-month prior notice in writing, subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles. Mr. Lam is currently entitled to an emolument of HK\$50,000 per month which has been determined by reference to his background, qualifications, experience, level of responsibilities to be undertaken with the Company and prevailing market conditions.

As at the Latest Practicable Date, Mr. Lam has interest in 23,800,000 shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Lam does not (1) hold any other positions in the Group nor does he hold any directorship in any other listed public companies in the last three years; (2) does not have any relationship with any other Director, senior management, substantial shareholder, or controlling shareholder of the Company.

Mr. Sha Tao, *Executive Director*

Mr. Sha Tao, aged 43, has been appointed as an executive Director since 20 February 2023. Mr. Sha holds a doctoral degree in business administration. He was the deputy secretary-general of the Greening Foundation of the State Forestry Administration, the secretary-general of the China Ecological Economics Society, and the legal representative and secretary-general of the China Eco Development Association. Mr. Sha has 20 years of rich management and administrative experience in ecological construction and environmental protection. He has been engaged in green industry investment, green industry strategic planning, and green industry resource transformation and utilization for many years. Mr. Sha is ultimate shareholder of Quick Tycoon which is a substantial shareholder of the Company.

Mr. Sha has entered into a letter of appointment with the Company which may be terminated by either party giving to the other not less than one-month prior notice in writing, subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles. Mr. Sha is currently entitled to an emolument of HK\$50,000 per month which has been determined by reference to his background, qualifications, experience, level of responsibilities to be undertaken with the Company and prevailing market conditions.

As at the Latest Practicable Date, Mr. Sha has interest in a total of 252,500,000 shares and underlying shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Sha (1) does not hold any other positions in the Group nor does he hold any directorship in any other listed public companies in the last three years; (2) does not have any relationship with any other Director, senior management, substantial shareholder, or controlling shareholder of the Company.

Each of the above-mentioned Directors has confirmed to the Board that the details set out in paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules are not relevant to him and therefore no information needs to be disclosed by any of them in relation to those paragraphs. Each of the abovementioned Directors has further confirmed to the Board that save as disclosed above, there is no other matter that needs to be brought to the Shareholders' attention in relation to their re-election as Directors and there is no other information which is discloseable pursuant to any of the requirements set out in Rule 13.51(2) of the Listing Rules.

APPENDIX III THE PROPOSED AMENDMENTS TO THE MEMORANDUM AND THE ARTICLES

This appendix sets out the Proposed Amendments, as marked up for ease of reference, to the Memorandum and the Articles.

Memorandum of Association

Heading

THE COMPANIES LAW ACT (AS REVISED)

EXEMPTED COMPANY LIMITED BY SHARES

SECOND AMENDED AND RESTATED

MEMORANDUM OF ASSOCIATION

OF

Excel Development (Holdings) Limited China Carbon Neutral Development Group Limited
怡益控股有限公司中國碳中和發展集團有限公司

(Adopted by way of a special resolution passed on ~~21 November 2013~~
and took effect on ~~21 November 2013~~ 28 June 2023)

Clause Number	Proposed Amendments
Throughout	All references to “Companies Law” in the Memorandum of Association are proposed to amend to “Companies Act” or the “Act”, being the Companies Act (As Revised) of the Cayman Islands”.
1.	The name of the Company is Excel Development (Holdings) Limited China <u>Carbon Neutral Development Group Limited</u> and its dual foreign name is 怡益控股有限公司中國碳中和發展集團有限公司 .
2.	The Registered Office of the Company shall be at the offices of Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1 1111 <u>89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands.</u>

**APPENDIX III THE PROPOSED AMENDMENTS TO THE MEMORANDUM
AND THE ARTICLES**

Articles of Association

Cover Page

**The Companies ~~Law~~ Act (As Revised)
Exempted Company Limited by Shares**

**AMENDED AND RESTATED
ARTICLES OF ASSOCIATION**

OF

**Excel Development (Holdings) Limited China Carbon Neutral Development Group Limited
怡益控股有限公司中國碳中和發展集團有限公司**

(Adopted by way of a special resolution passed on ~~21 November 2013~~
and took effect from the date of the listing of the Offer Shares 28 June 2023)

Index Page Financial Year 164A

Article Number Proposed Amendments

**THE COMPANIES ACT (AS REVISED)
EXEMPTED COMPANY LIMITED BY SHARES**

AMENDED AND RESTATED ARTICLES OF ASSOCIATION

OF

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

(Adopted by way of a special resolution passed on 28 June 2023)

- Throughout All references to “Companies Law” in the Articles of Association are proposed to amend to the ‘Companies Act’ or the “Act”,
1. The regulations in Table A in the Schedule to the Companies ~~Law~~ Act (As Revised) of the Cayman Islands do not apply to the Company.
- 2.(1) In these Articles, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.

**APPENDIX III THE PROPOSED AMENDMENTS TO THE MEMORANDUM
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<u>WORD</u>	<u>MEANING</u>
<u>“Act”</u>	<u>the Companies Act (As Revised) of the Cayman Islands.</u>
<u>“associate”</u>	has the meaning attributed to it in the rules of the Designated Stock Exchange.
<u>“business day”</u>	shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day for the reason of a Number 8 or higher Typhoon Signal, Black Rainstorm Warning or other similar event, such day shall for the purposes of these Articles be counted as a business day.
<u>“close associate”</u>	<u>in relation to any Director, shall have the same meaning as defined in the rules of the Designated Stock Exchange as modified from time to time, except that for purposes of Article 100 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the rules of the Designated Stock Exchange, it shall have the same meaning as that ascribed to “associate” in the rules of the Designated Stock Exchange.</u>
<u>“Company”</u>	<u>Excel Development (Holdings) Limited 怡益控股有限公司 China Carbon Neutral Development Group Limited 中國碳中和發展集團有限公司.</u>
<u>“Law”</u>	The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.
<u>“Subsidiary and Holding Company”</u>	has the meanings attributed to them in the rules of the Designated Stock Exchange.
2.	<p>(h) references to a document (<u>including, but without limitation, a resolution in writing</u>) being <u>signed or</u> executed include references to it being signed or executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;</p> <p>(i) Section 8 <u>and Section 19</u> of the Electronic Transactions Law<u>Act (2003 As Revised)</u> of the Cayman Islands, as amended from time to time, shall not apply to these Articles to the extent it imposes obligations or requirements in addition to those set out in these Articles.</p>

APPENDIX III THE PROPOSED AMENDMENTS TO THE MEMORANDUM
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3. (4) The Board may accept the surrender for no consideration of any fully paid share.
- (5) No share shall be issued to bearer.
9. [Reserved]
~~Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.~~
10. (a) the necessary quorum ~~(other than~~including at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorized representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class ~~and at any adjourned meeting of such holders, two holders present in person or (in the case of a Member being a corporation) its duly authorized representative or by proxy (whatever the number of shares held by them) shall be a quorum;~~ and
44. The Register and branch register of Members maintained in Hong Kong, as the case may be, shall be open to inspection for at least two (2) hours during business hours by Members without charge or by any other person, upon a maximum payment of \$2.50 or such lesser sum specified by the Board, at the Office or such other place at which the Register is kept in accordance with the ~~Law~~Act or, if appropriate, upon a maximum payment of \$1.00 or such lesser sum specified by the Board at the Registration Office. The Register including any overseas or local or other branch register of Members may, after notice has been given by maximum payment of \$1.00 or such lesser sum specified by the Board at the Registration Office. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in ~~an appointed newspaper or any other~~ newspapers in accordance with the requirements of any Designated Stock Exchange or by any electronic means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed for inspection at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares. The period of thirty (30) days may be extended for a further period or periods not exceeding thirty (30) days in respect of any year if approved by the Members by ordinary resolution.

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45. Subject to the rules of the Designated Stock Exchange, Notwithstanding any other provision of these Articles the Company or the Directors may fix any date as the record date for:
- (a) determining the Members entitled to receive any dividend, distribution, allotment or issue ~~and such record date may be on, or at any time not more than thirty (30) days before or after, any date on which such dividend, distribution, allotment or issue is declared, paid or made;~~
51. The registration of transfers of shares or of any class of shares may, after notice has been given by announcement or by electronic communication or by advertisement in any newspapers or by any other means in accordance with the requirements of any Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine. The period of thirty (30) days may be extended for a further period or periods not exceeding thirty (30) days in respect of any year if approved by the Members by ordinary resolution.
56. ~~An annual general meeting of the Company shall be held in each year other than the year of the Company's adoption of these Articles (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting or not more than eighteen (18) months after the date of adoption of these Articles, unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board.~~
- An annual general meeting of the Company shall be held for each financial year other than the financial year of the Company's adoption of these Articles and such annual general meeting must be held within six (6) months after the end of the Company's financial year (unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board.
58. The Board may whenever it thinks fit call extraordinary general meetings. Any one or more Member(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, on a one vote per share basis, shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

**APPENDIX III THE PROPOSED AMENDMENTS TO THE MEMORANDUM
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59. (1) An annual general meeting ~~shall~~ must be called by Notice of not less than twenty-one (21) clear days ~~and not less than twenty (20) clear business days and any extraordinary general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty one (21) clear days and not less than ten (10) clear business days.~~ All other ~~extraordinary~~ extraordinary general meetings ~~(including extraordinary general meetings)~~ may ~~must~~ be called by Notice of not less than fourteen (14) clear days ~~and not less than ten (10) clear business days~~ but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice, ~~subject to the Law,~~ if it is so agreed:
- (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together ~~holding~~ representing not less than ninety-five per cent. (95%) ~~in nominal value of the issued shares giving that right~~ of the total voting rights at the meeting of all the Members.
61. (1) (d) appointment of Auditors (where special notice of the intention for such appointment is not required by the ~~Law~~ Act) and other officers; and
- (e) the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors; ;
- ~~(f) the granting of any mandate or authority to the Directors to offer, allot, grant options over or otherwise dispose of the unissued shares in the capital of the Company representing not more than twenty per cent. (20%) in nominal value of its existing issued share capital; and~~
- ~~(g) the granting of any mandate or authority to the Directors to repurchase securities of the Company.~~
- (2) No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person or by proxy or (in the case of a Member being a corporation) by its duly authorised representative or, for quorum purposes only, two persons appointed by the clearing house as authorised representative or proxy shall form a quorum for all purposes.

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73. (2) All Members shall have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the rules of the Designated Stock Exchange, the rules, codes or regulations of any competent regulatory authority, to abstain from voting to approve the matter under consideration.
- (23) Where the Company has knowledge that any Member is, under the rules of the Designated Stock Exchange, the rules, codes or regulations of any competent regulatory authority, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.
81. (2) If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) including, the right to speak and to vote, and where a show of hands is allowed, the right to vote individually on a show of hands.
83. (3) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. ~~Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.~~ Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election.

**APPENDIX III THE PROPOSED AMENDMENTS TO THE MEMORANDUM
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- (5) The Members may, at any general meeting convened and held in accordance with these Articles, by ordinary resolution remove a Director (including a managing or other executive Director) at any time before the expiration of his ~~period-term~~ of office notwithstanding anything to the contrary in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).
- (6) A vacancy on the Board created by the removal of a Director under the provisions of subparagraph (5) above may be filled by the election or appointment by ordinary resolution of the Members at the meeting at which such Director is removed.
100. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:
- (i) ~~any contract or arrangement for the giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associate(s) or obligations incurred or undertaken by him or any of his associate(s) at the request of or for the benefit of the Company or any of its subsidiaries;~~
- the giving of any security or indemnity either:-
- (a) to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
- (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) ~~any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;~~

**APPENDIX III THE PROPOSED AMENDMENTS TO THE MEMORANDUM
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any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

- (iii) ~~any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;~~

any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:

(a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or

(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associate(s) and employee(s) of the Company or any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage

- (iv) ~~any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company; or~~

any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

- (v) ~~any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors or his associate(s) and to employees of the~~

APPENDIX III THE PROPOSED AMENDMENTS TO THE MEMORANDUM
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~~Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.~~

101. (4) ~~Except as would, if the Company were a company incorporated in Hong Kong, be permitted by Section 157H of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as in force at the date of adoption of these Articles, and except as permitted under the Law, the Company shall not directly or indirectly:~~
- ~~(i) make a loan to a Director or a director of any holding company of the Company or to any of their respective associates (as defined by the rules, where applicable, of the Designated Stock Exchange);~~
 - ~~(ii) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or~~
 - ~~(iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.~~

The Company shall not make any loan, directly or indirectly, to a Director or his close associate(s) if and to the extent it would be prohibited by the Companies Ordinance (Chapter 622 of the laws of Hong Kong) as if the Company were a company incorporated in Hong Kong.

Article 101(4) shall only have effect for so long as the shares of the Company are listed on The Stock Exchange of Hong Kong Limited.

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119. A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall (provided that such number is sufficient to constitute a quorum and further provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Articles) be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held. A notification of consent to such resolution given by a Director in writing to the Board by any means (including by means of electronic communication) shall be deemed to be his/her signature to such resolution in writing for the purposes of this Article. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid. Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.
149. Subject to Article 150, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the general meeting ~~and at the same time as the notice of annual general meeting~~ and laid before the Company at the annual general meeting held in accordance with Article 56 provided that this Article shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.
152. (1) At the annual general meeting or at a subsequent extraordinary general meeting in each year, the Members shall by ordinary resolution appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the next annual general meeting. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.

**APPENDIX III THE PROPOSED AMENDMENTS TO THE MEMORANDUM
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- (2) The Members may, at any general meeting convened and held in accordance with these Articles, by ~~special~~ ordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.
154. The remuneration of the Auditor shall be fixed by ~~the Company~~ an ordinary resolution in passed at a general meeting or in such manner as the Members may by ordinary resolution determine.
155. ~~If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed.~~
The Directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Directors under this Article may be fixed by the Board. Subject to Article 152(2), an Auditor appointed under this Article shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by the Members under Article 152(1) at such remuneration to be determined by the Members under Article 154.
161. For the purposes of these Articles, a facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received. The signature to any Notice or document to be given by the Company may be written, printed or in electronic form.

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162. (1) Subject to Article 162(2), ~~the~~ Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.
- (2) Unless otherwise provided by the Act, ~~A~~ resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

164A. FINANCIAL YEAR

Unless otherwise determined by the Directors, the financial year of the Company shall end on the 31st day of December in each year.

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “AGM”) of China Carbon Neutral Development Group Limited (the “Company”) will be held at Unit 1808, 18/F, Landmark South, 39 Yip Kan Street, Wong Chuk Hang, Hong Kong on Wednesday, 28 June 2023 at 10:00 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the directors of the Company and the independent auditor of the Company (the “Auditor”) for the year ended 31 December 2022.
2. To re-elect Mr. Chen Xinwei as an executive director of the Company.
3. To re-elect Mr. Chen Lei as an executive director of the Company.
4. To re-elect Mr. Lam Po Foon as a non-executive director of the Company.
5. To re-elect Mr. Sha Tao as an executive director of the Company.
6. To authorise the board of directors of the Company to fix the directors’ remuneration.
7. To re-appoint Prism Hong Kong and Shanghai Limited (formerly known as Unitax Prism (HK) CPA Limited) as the Auditor and authorise the board of directors of the Company to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

8. To consider and, if thought fit, pass with or without modification the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with authorised and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of the outstanding conversion rights attaching to any convertible bonds or securities issued by the Company, which are convertible into shares of the Company; or (iii) the exercise of option under a share option scheme of the Company or (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company, shall not exceed twenty per cent. (20%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings.

NOTICE OF ANNUAL GENERAL MEETING

“**Rights Issue**” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company of any class thereof on the register on a fixed record date in proportion to their then holdings of such shares of the Company thereof (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange).”

9. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited or on any other stock exchange recognised by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which might be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution and the said approval be limited accordingly; and
- (c) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings.”

NOTICE OF ANNUAL GENERAL MEETING

10. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“**THAT**, subject to the passing of resolutions no. 8 and 9 set out in this notice, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with authorised and unissued shares of the Company pursuant to resolution no. 10 set out in this notice be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of the share capital of the Company which has been repurchased by the Company since the grant of such general mandate pursuant to resolution no. 8 set out in this notice, provided that such amount of shares of the Company shall not exceed ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution.”

11. To consider and, if thought fit, pass the following resolution as a special resolution:

“**THAT**, the second amended and restated memorandum of association and the amended and restated articles of association of the Company (“**Amended and Restated Memorandum and Articles**”) in the form of the document marked “A” produced to the Meeting and, for the purpose of identification, signed by the chairman of the Meeting, which amends and restates the existing memorandum of association and articles of association of the Company (“**Memorandum and Articles**”) to reflect all of the proposed amendments referred to in Appendix III to the circular of the Company dated 27 April 2023, be and is hereby approved and adopted as the Amended and Restated Memorandum and Articles in substitution for, and to the exclusion of, the existing Memorandum and Articles with immediate effect after the close of the Meeting, and that the Directors or Company Secretary be and are hereby authorised to do all things necessary to implement the adoption of the Amended and Restated Memorandum and Articles.”

Yours faithfully,

For and on behalf of the Board

China Carbon Neutral Development Group Limited

Sha Tao

Chairman

Hong Kong, 27 April 2023

Notes:

1. A form of proxy for use at the AGM (or any adjournment thereof) is enclosed herewith. Any member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed. A proxy need not be a member of the Company but must be present in person at the meeting to represent the member.

NOTICE OF ANNUAL GENERAL MEETING

2. Where there are joint holders of any share of the Company, any one of such joint holders may vote at the meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the meeting, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time fixed for holding the AGM (or any adjournment thereof).
4. Completion and return of the proxy form in respect of the proposed ordinary resolutions for the AGM will not preclude a member of the Company from attending and voting in person at the AGM (or any adjournment thereof) should he/she so wishes and in such event, the proxy form for the AGM (or any adjournment thereof) will be deemed to have been revoked.
5. All resolutions at the AGM will be taken by poll (except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the Listing Rules.
6. The register of members of the Company will be closed from Friday, 23 June 2023 to Wednesday, 28 June 2023 (both days inclusive) for the purpose of determining the right to attend and vote at the AGM, during which no transfer of shares will be registered. In order to be eligible to attend and vote at the forthcoming AGM, all share transfer documents accompanied by the corresponding share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 21 June 2023.

As at the date of this notice, the executive Directors are Mr. Sha Tao, 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.