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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)

VOLUNTARY ANNOUNCEMENT

SUCCESSFUL REGISTRATION OF HUOQIU ANIMAL MANURE MANAGEMENT GHG MITIGATION PROJECT ON THE VCS PLATFORM

This announcement is made by China Carbon Neutral Development Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to inform its shareholders and potential investors about the latest updates on the business development of the Group.

The Board of Directors (the “**Board**”) of the Company is pleased to announce that the Huoqiu Animal Manure Management GHG Mitigation Project (the “**Project**”), which was jointly developed by the Group and Sinochem Environment Holdings Co., Ltd., was successfully registered on the Verified Carbon Standard (VCS) platform on 7 September 2023 under the Project ID 3378. The Project is located in Shidian Town, Huoqiu County, Lu'an City, Anhui Province, China. It has a daily processing capacity of animal manure of 800 tons. It will also produce 20,000 cubic meters biogas per day and 40,000 tons of organic fertilizer annually. The generated biogas will be captured and partly used for heat generation for users nearby, and the rest will be used for electricity generation with an annual transmission capacity of 8 million kWh to East China Power Grid (“**ECPG**”).

The Project is the first animal manure intensive treatment project in China to be successfully registered on the VCS platform. By avoiding methane emissions and displacing an equivalent electricity from ECPG dominated by fossil fuel-fired plants, it is estimated that the Project will reduce greenhouse gas emissions by 76,000 tCO₂e annually. The project has a crediting period of 10 years, with a total emission reduction of 760,000 tCO₂e over the period. It effectively reduces greenhouse gas emissions while achieving proper treatment of animal manure and comprehensive utilization of energy.

The Board believes that the successful registration of the Project on the VCS platform demonstrates the Group's competitiveness and expertise in the field of carbon neutrality. As part of the Group's implementation of carbon asset development, consulting, trading, and investment businesses, this progress will bring stable and favourable financial returns, aligning with the overall interests of the Group and the Company's shareholders.

By order of the Board
China Carbon Neutral Development Group Limited
Sha Tao
Chairman

Hong Kong, 12 September 2023

As at the date of this announcement, the executive Directors are Mr. Sha Tao, Mr. Chen Xinwei and Mr. Di Ling, the non-executive Director is Mr. Lam Po Foon; and the independent non-executive Directors are Mr. Wang Anyuan and Dr. Li Qun.