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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

**JIYUAN WEIHENG COW BREDDING FARM BIOGAS RECOVERY AND UTILIZATION
PROJECT,**

**WHICH OBTAINS CONSULTING SERVICE FROM CCNG,
HAS BEEN SUCCESSFULLY REGISTERED 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 Jiyuan Weiheng Cow Breeding Farm Biogas Recovery and Utilization Project (“the **Project**”), which obtains consulting services from China Carbon Neutral Development Group Limited, was successfully registered on the Verified Carbon Standard (VCS) platform on 31 October 2023, under VCS Project ID 3830. The project is located in Jiyuan City, Henan Province. It is owned and implemented by Jiyuan Weiheng Cow Breeding Co., Ltd.

The biogas recovery and utilization project will introduce a new anaerobic livestock manure management treat the daily cow dung from the Weiheng Cow Breeding Farm. The project utilizes biogas digesters to treat animal waste, collect and destroy the generated biogas, thereby avoiding methane emissions. The residual waste from the biogas digesters will be used for aerobic composting to produce organic fertilizer. The wastewater from the animal waste treatment system will be used for irrigation. Prior to the implementation of this project, cow dung was decomposed in open anaerobic ponds, resulting in direct methane emissions into the atmosphere without any recovery or destruction facilities.

The Project is the first successful registration of a biogas recovery and utilization project on the VCS platform in Jiyuan City. The project commenced construction on 15 October 2022, and was put into operation on 15 June 2023. It is expected to achieve an annual emission reduction of 37,493 metric

tons of carbon dioxide equivalent, with a total emission reduction of 262,451 metric tons of carbon dioxide equivalent within the first 7-year period, effectively reducing methane and other greenhouse gas emissions.

The warming effect of methane is more than 20 times of that of carbon dioxide. The Board believes that the successful registration of the Project on the VCS platform is of groundbreaking significance in avoiding the greenhouse effect of methane. Reducing methane emissions will have a significant impact on climate change and is particularly important for achieving the temperature control goals of the Paris Agreement. As part of the Group's implementation of carbon asset development, consulting, trading, and bring favorable financial returns and serve the overall interests of the Group and the Company's shareholders.

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

Hong Kong, 31 October 2023

As at the date of this announcement, the Executive Directors are Mr. Shao Tao, Mr. Zhong Guoxing, Mr. Di Ling and Mr. Lu Xiangyong; and the independent non-executive Directors are Mr. Wang Anyuan, Mr. Wang Jiasi and Dr. Dai Fan.