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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)

### SUBSCRIPTION OF NEW SHARES UNDER THE GENERAL MANDATE

The Board is pleased to announce that on 6 March, 2026, the Company (as the “Issuer”) entered into one Subscription Agreement with one Subscriber in respect of the Subscription of an aggregate of 40,000,000 Subscription Shares at the Subscription Price of HK\$1.00 per Share.

The issue of the Subscription Shares will not be subject to the approval by the Shareholders, and the Subscription Shares will be issued under the General Mandate granted to the Directors at the AGM.

**Given that completion of the Subscription is subject to conditions and the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Share.**

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#### **Subscription Agreement**

The major terms of the Subscription Agreement are as follows:

Date: 6 March, 2026

Parties: (i) The Company, as the Issuer; and  
(ii) EcoRise Solutions Company Limited, the Subscriber under the Subscription Agreement (the “Subscriber”)

Subscribed Shares: An aggregate of 40,000,000 Subscription Shares

Subscription Price: HK\$1.00 per Subscribed Share

To the best of the directors' knowledge, information and belief after making all reasonable enquiries, the Subscriber is a third party independent of the Company and not connected with the Company and its connected persons (as defined in the Listing Rules) and a corporate investor.

### **Subscription Shares**

The 40,000,000 Subscription Shares in aggregate represent (i) approximately 5.93% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 5.59% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming that, there is no change in the issued share capital of the Company from the date of this announcement to the Completion Date save for the issue of the Subscription Shares). The aggregate nominal value of the Subscription Shares will be HK\$400,000. Based on the Subscription Price of HK\$1.00, the total proceeds from this Subscription will be HK\$40,000,000.

### **Rights of the Subscription Shares**

The Subscription Shares will be fully paid and rank pari passu with all other issued Shares in all respects as at the date of issue.

### **Subscription Price**

The Subscription Price is HK\$1.00 per Share, which represents:

- (i) a discount of approximately 11.50% over the closing price of HK\$1.130 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement; and
- (ii) a discount of approximately 12.43% to the average price of approximately HK\$1.142 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreement.

The Subscription Price was negotiated on an arm's length basis between the Company and the subscriber and was determined with reference to the prevailing and recent market prices and trading volumes of the Share.

### **Condition Precedent for the Subscription**

The Subscription under the Subscription Agreement is conditional on the Listing Committee of the Stock Exchange granting and having withdrawal or revoked a listing of and permission to deal in the Subscription Shares.

As for the Subscription Agreement, in addition to the condition set out above, the completion of the Subscription Agreement is also subject to the Company having sufficient public float in compliance with Rule 13.32B of the Listing Rules upon completion of the transactions contemplated thereunder.

If any of the conditions is not satisfied on or before 20 March, 2026, the duties and liabilities of the parties to the Subscription Agreement shall immediately terminate and be discharged.

### **Completion**

Completion shall take place within ten (10) Business Days upon satisfaction of the condition precedent (or such other date as the parties thereto may agree). The Completion of any Subscription is not underconditioned upon any other.

## GENERAL MANDATE TO ISSUE THE SUBSCRIPTION SHARES

The issue of the Subscription Shares will not subject to approval by the Shareholders and the Subscription Shares will be issued under the General Mandate granted to the Directors at the AGM. Pursuant to the General Mandate, the total number of new Shares that the Company is authorized to issue 128,592,000 shares, representing 20% of the number of issued Shares as the date of the AGM, which is the maximum number of new Shares could be allotted and issued by the Company under the General Mandate, and there will be no remaining after this issue. After the completion of this Subscription, 56,592,000 shares will be available for future issue under the General Mandate.

## APPLICATION FOR LISTING

Application will be made by the Company to the Stock Exchange for the listing and permission to deal in the Subscription Shares.

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiries, the shareholding structure of the Company is set out in the table below (i) as at the date of this announcement; and (ii) immediately after Completion, assuming that there is no change in the issued share capital of the Company from the date of this announcement to the Completion date:

	As at the date of this announcement		Immediately after completion	
	Number of Shares	Approximate percentage (%)	Number of Shares	Approximate percentage (%)
Quick Tycoon Limited (Note 1)	89,255,000	13.22%	89,255,000	12.48%
China Eco Fund Investment Limited (Note 1)	40,000,000	5.93%	40,000,000	5.59%
Mr. Sha Tao (Note 1)	32,345,000	4.79%	32,345,000	4.52%
Mr. Chai Ming	40,000,000	5.93%	40,000,000	5.59%
Mr. Geng Zhiyuan (Note 2)	22,000,000	3.26%	22,000,000	3.08%
Mr. Chen Yonglan (Note 2)	10,000,000	1.48%	10,000,000	1.40%
<b>Public shareholders</b>				
Subscriber	-	-	40,000,000	5.59%
Other public shareholders	441,360,000	65.39%	441,360,000	61.75%
<b>Total</b>	<b>674,960,000</b>	<b>100%</b>	<b>714,960,000</b>	<b>100%</b>

Note:

- Both Quick Tycoon Limited and China Eco Fund Investment Limited are wholly owned by China Eco Investment Limited, a company is wholly owned by Mr. Sha Tao. Mr. Sha Tao was deemed by virtue of the SFO to be interested in 161,600,000 shares.
- Mr. Geng Zhiyuan and Mr. Chen Yonglan are non-executive directors of this company.

## EQUITY FUND RAISING ACTIVIES IN THE PAST TWELVE MONTHS

Save as disclosed below, the Company did not conduct any fund-raising activity in the twelve months immediately preceding the date of this announcement.

Announcement date	Fund-raising activities	Principal amount	Intended use of proceeds	Actual use of proceed			
				Nature	Subscription Proceeds (HK\$)	As at February 28, 2026	
				Utilized Amount (HK\$)	Unutilized Amount (HK\$)		
4 December 2024, 6 December 2024, 24 January 2025 and 2 April 2025	Subscription of 107,160,000 new shares under the general mandate, which was completed on 2 April 2025	HK\$23,575,000	(i) Repayment of debt of the Group (90%); and (ii) Working capital and repayment of debt of the Group (10%).			HK\$23,575,000 is fully utilized as intended on or before 9 April 2025	
30 May 2025, 31 October 2025 and 16 January 2026	Issuance of Convertible Bonds under specific mandate, which was completed on 16 January 2026.	Convertible Bonds with a principal amount of HK\$57,659,479.52 were issued for settlement of indebtedness owed to the subscriber on a dollar-for dollar basis. Therefore, there were no cash proceeds from the issuance of the Convertible.	Not applicable.	Not applicable.			
8 January 2026, 21 January 2026 and 26 January 2026	Subscription of 32,000,000 new Shares under the General Mandate and completed on 26 January 2026.	HK\$48,000,000	(i) General working capital including salaries and allowance and overhead for the Group's general operation (85%); and (ii) Repayment of debt of the Group (15%)	Working capital	40,800,000	11,335,493	29,464,507
				Repayment debt	7,200,000	4,041,738	3,158,262
				Total	48,000,000	15,377,231	32,622,769

## REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in: (i) the global carbon neutrality business, focusing on carbon credit asset trading, carbon credit and carbon asset development, management and investment in carbon neutrality-related fields, carbon consulting and planning; and leveraging the blockchain-based dual-carbon digital control platform to integrate and promote resources across the dual-carbon chain to support the sustainable development of the dual-carbon economy; and (ii) the digital technology business, building a green finance trusted data network through the "Green Trust Chain" to implement the trust infrastructure of digital finance. At the same time, upgrade the "dual-carbon" digital platform to accurately align with the methodology standards of the National Development and Reform Commission, and use blockchain technology in the "carbon exchange" to achieve the tokenized issuance and global circulation of carbon assets; and (iii) the battery cascading utilization business, engaged in the recycling of power battery waste and the cascading utilization of retired batteries from new energy buses; and (iv) ecological governance and civil engineering businesses, including civil engineering projects, ecological governance, building construction and maintenance services.

The Group is actively expanding its global carbon neutrality business. This business expansion requires an increase in the capital scale to enhance the Group's profitability and development strength. After evaluating the feasibility of multiple fund-raising options, the Company believes that: (i) this subscription will not incur interest costs or other expenses; and (ii) the subscription will ensure that the Company can obtain a certain amount of funds in the short term; and (iii) the issuance of new shares for cash consideration will improve the Company's financial position, such as increasing working capital, reducing the debt ratio and overall enhancing the risk resistance ability. In addition, the subscription price and the number of subscribed shares were determined with reference to the current and recent market prices and trading volumes of the shares. The Board believes that the subscription agreement was entered into on normal commercial terms, is fair and reasonable, and is in the interests of the Company and the shareholders as a whole.

The gross proceeds of the Subscription will be HK\$40,000,000. The net proceeds from the Subscription (after deducting all applicable costs and expenses of the Subscription) will be approximately HK\$40,000,000 and the net issue price of HK\$1.00 per Subscription Share. The Group intends to use the proceeds from the Subscription for (i) approximately HK\$32,000,000, equivalent to approximately 80% of the net proceeds from the Subscription for funding the Group's business expansion; and (ii) approximately HK\$8,000,000, equivalent to approximately 20% of the net proceeds from the Subscription for debt repayment and improve the Company's financial position.

**Given that completion of the Subscriptions is subject to conditions and the Subscriptions may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## Definition

In this announcement, unless the context otherwise requires, the following terms shall have the meanings ascribed to them:

“AGM”	The annual general meeting of the Company held on 26 November 2025
“Board”	The board of Directors
“Business Day(s)”	A day (other than Saturday, Sunday, public holiday or any day on which tropical cyclone warning no. 8 or above is hoisted or remains hoisted 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon, or a "black" rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours.
“Company”	China Carbon Neutral Development Group Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange of Hong Kong (Stock Code: 1372).
“Completion”	completion of the Subscription
“Completion Date”	The date of Completion which shall be the date falling within ten (10) Business Days after the fulfilment of the last condition (or such other date as the parties thereto may agree).
“Directors”	The directors of our company
“General Mandate”	the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the AGM, to allot, issue and deal with up to 20% of then number of issued shares as at the date of the AGM.
“Group”	The Company and its subsidiaries
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited

By order of the Board  
China Carbon Neutral Development Group Limited  
Chen Yonglan  
Chairman and Non-executive Director

Hong Kong, 6 March 2026

*As at the date of this announcement, the Executive Directors are Mr. Di Ling, Mr. Cheung Hiu Tung and Mr. Lu Xiangyong; the Non-executive Directors are Mr. Chen Yonglan, Mr. Geng Zhiyuan (with Mr. Chen Lei as his alternate) and Mr. Zhong Guoxing; and the Independent Non-executive Directors are Mr. Wang Jiasi, Mr. Cao Ming and Ms. Qiao Yanlin.*