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中國地熱能產業發展集團有限公司

CHINA GEOTHERMAL INDUSTRY DEVELOPMENT GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8128)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT 2020

Reference is made to the annual report of China Geothermal Industry Development Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2020 (the “**Annual Report 2020**”). Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Annual Report 2020.

This announcement is made to provide supplemental information to the Annual Report 2020 in relation to the Group’s employee benefits.

Further disclosure related to employee benefits

The Group operates a mandatory provident fund scheme (the “**MPF Scheme**”) under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the laws of Hong Kong) for employees employed in Hong Kong. The MPF Scheme is administered by independent trustees. Under the MPF Scheme, the employer and the employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, subject to the minimum and maximum relevant income levels. For monthly paid employees, the minimum and maximum relevant income levels are HK\$7,100 and HK\$30,000 respectively. Contributions made to the scheme will be vested immediately.

The employees of the Group’s subsidiaries in the PRC are members of the state-managed retirement scheme organized by the PRC Government. According to the national regulations, it is required to make monthly contributions based on the employees’ salary at a rate of 24% (from May 2019: reduced from 27% to 24%) as stipulated by the local governments of the provinces and cities where it is located. The Group assumes 16% of the contributions (from May 2019: reduced from 19% to 16%), while the remaining 8% of contributions is paid by employees. In addition, due to the national concessionary policy, the 16% that shall be borne by the enterprise is exempted to pay for the period from February to December 2020, and the contributions borne by employee should be made as normal. Therefore, the Group did not make any contributions from February to December 2020. The Group has no other material obligation for payment of retirement benefits other than the monthly contributions mentioned above. In addition, there was no forfeited contributions which may be used by the Group to reduce the existing level of contributions.

The above supplementary information does not affect other information contained in the Annual Report 2020. Save as disclosed above, all other information in the Annual Report 2020 remains unchanged.

By Order of the Board of
China Geothermal Industry Development Group Limited
Xu Shengheng
Chairman

Hong Kong, 29 July 2021

As at the date of this announcement, the Board comprises Mr. Xu Shengheng, Ms. Chan Wai Kay, Katherine, Ms. Wang Yan, Mr. Wang Manquan, Ms. Hao Xia and Mr. Dai Qi as executive Directors, Mr. Yang Wei, Mr. Zhang Yiyang and Ms. Liu Ening as non-executive Directors, Mr. Jia Wenzeng, Mr. Wu Desheng, Mr. Wu Qiang, Mr. Guo Qingui and Mr. Guan Chenghua as independent non-executive Directors.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited 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 knowledge and belief the information contained in this announcement 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 announcement misleading.

This announcement will remain on the GEM website with the domain name of www.hkgem.com on the “Latest Company Announcement” page for at least 7 days from the date of publication and on the website of the Company at www.cgsenergy.com.hk.