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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)

SUBSCRIPTIONS OF NEW SHARES UNDER THE GENERAL MANDATE

The Board is pleased to announce that, on 13 May 2026, the Company (as issuer) entered into the Subscription Agreements with the Subscribers in respect of the Subscription of 96,592,000 Subscription Shares at the Subscription Price of HK$0.80 per Subscription 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 Subscriptions is subject to conditions under the Subscription Agreements and the Subscriptions may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

The Board is pleased to announce that, on 13 May 2026, the Company (as issuer) entered into three Subscription Agreements with three Subscribers in respect of the Subscription of 96,592,000 Subscription Shares at the Subscription Price of HK$0.80 per Share.

The Subscription Agreements
The major terms of the Subscription Agreements are as follows:

Date: 13 May 2026

Parties: (i) The Company, an issuer; and

(ii) the Subscribers, as subscriber under each of the Subscription Agreements

Subscription Shares: An aggregate of 96,592,000 Subscription Shares, which includes:

Subscriber A: 35,000,000 Subscription Shares

Subscriber B: 35,000,000 Subscription Shares

Subscriber C: 26,592,000 Subscription Shares

Subscription Price: HK$0.80 per Subscription Share

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Subscribers are a third party independent of and not connected with the Company and its connected persons (as defined in the Listing Rules) and an individual investor.

Subscription Shares

The 96,592,000 Subscription Shares in aggregate represent (i) 10.97 % of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 9.88% 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$965,920.

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.

The Subscription Price

The Subscription Price is HK$0.80 per Share, which represents:

(i) a discount of approximately 15.79% over the closing price of HK$0.950 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and

(ii) a discount of approximately 17.70% to the average of the closing prices of approximately HK$0.972 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Subscription Agreements; and

The Subscription Price was negotiated on an arm's length basis between the Company and each of the Subscribers and was determined with reference to the prevailing and recent market prices and trading volume of the Shares.

Condition Precedent for the Subscriptions

The Subscriptions under the Subscription Agreements are conditional on the Listing Committee of the Stock Exchange granting and not having withdrawn or revoked a listing of and permission to deal in the Subscription Shares.

As to the Subscription Agreements, in addition to the conditions set out above, completion of the Subscription Agreements 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 the foregoing condition is not fulfilled by 4:00 p.m. on 30 August 2026, or such other time and date as may be agreed by the Subscriber and the Company all rights, obligations and liabilities of the Subscribers and the Company under the Subscription Agreement shall cease and determine thereafter and neither party shall have any claim against the other, save for any antecedent breaches of the terms thereof.

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). Completion of any Subscription is not interconditional upon each other.

GENERAL MANDATE TO ISSUE THE SUBSCRIPTION SHARES

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. Pursuant to the General Mandate, the total number of new Shares that the Company is authorized to issue is 128,592,000 shares, representing 20% of the number of issued Shares as at the date of the AGM, which is the maximum number of new Shares that could be allotted and issued by the Company under the General Mandate, and there will be no new Shares remaining after this issue.

There will be nil Shares available for future issuance under the General Mandate after the Subscription.

APPLICATION FOR LISTING

Application will be made by the Company to the Stock Exchange for the listing of 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 following table sets out the shareholding structure of the Company (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, is as follows:

	As at the date of this announcement		**Immediately after Completion**	
	Number of Shares	*Approximate %*	*Number of Shares*	*Approximate %*
Green Securities Group Limited	108,693,173	12.34%	108,693,173	11.12%
Green Assets Management Limited	97,233,539	11.04%	97,233,539	9.95%
Quick Tycoon Limited *(Note 1)*	89,255,000	10.13%	89,255,000	9.13%
China Eco Fund Investment Limited *(Note 1)*	40,000,000	4.54%	40,000,000	4.09%
Mr. Sha Tao *(Note 1)*	32,895,000	3.73%	32,895,000	3.37%
Mr. Chai Ming	40,000,000	4.54%	40,000,000	4.09%
Mr. Wang Tianlong	32,000,000	3.63%	32,000,000	3.27%
Mr. Geng Zhiyuan *(Note 2)*	22,000,000	2.50%	22,000,000	2.25%
Mr. Chen Yonglan *(Note 2)*	10,000,000	1.14%	10,000,000	1.02%
Public Shareholders				
Subscriber A	-	-	35,000,000	3.58%
Subscriber B	-	-	35,000,000	3.58%
Subscriber C	-	-	26,592,000	2.72%
Other Public Shareholders	408,810,000	46.41%	408,810,000	41.83%
Total	**880,886,712**	**100.00%**	**977,478,712**	**100.00%**

Notes:

1. Both Quick Tycoon Limited and China Eco Fund Investment Limited are wholly owned by China Eco Investment Limited, a company which is wholly owned by Mr. Sha Tao. Mr. Sha Tao was deemed by virtue of the SFO to be interested in 162,150,000.

2. Mr. Geng Zhiyuan and Mr. Chen Yonglan are non-executive Directors of the Company.

EQUITY FUND RAISING ACTIVITIES 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.

<table>
<tr><th>Announcement date</th><th>Fund-raising activities</th><th>Principal amount</th><th>Intended use of proceeds</th><th>Actual use of proceeds</th></tr>
<tr><td>4 December 2024, 6 December 2024, 24 January 2025 and 2 April 2025</td><td>Subscription of 107,160,000 new shares under the general mandate, which was completed on 2 April 2025</td><td>HK$ 23,575,000</td><td>(i) Repayment of debt of the Group (90%); and
(ii) Working capital and repayment of debt of the Group (10%).</td><td>HK$23,575,000 is fully utilized as intended on or before 9 April 2025</td></tr>
<tr><td>30 May 2025, 31 October 2025 and 16 January 2026</td><td>Issuance of Convertible Bonds under specific mandate, which was completed on 16 January 2026.</td><td>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.</td><td>Not applicable.</td><td>Not applicable.</td></tr>
<tr><td>8 January 2026, 21 January 2026 and 26 January 2026</td><td>Subscription of 32,000,000 new Shares under the General Mandate and completed on 26 January 2026.</td><td>HK$48,000,000</td><td>(i) General working capital including salaries and allowance and overhead for the Group’s general operation (85%); and
(ii) Repayment of debt of the Group (15%)</td><td>
<table>
<tr><th rowspan="2">Nature</th><th rowspan="2">Subscription Proceeds (HK$)</th><th colspan="2">As at 30 April 2026</th></tr>
<tr><th>Utilized Amount (HK$</th><th>Unutilized Amount (HK$)</th></tr>
<tr><td>Working capital</td><td>40,800,000</td><td>19,330,350</td><td>21,469,650</td></tr>
<tr><td>Repayment debt</td><td>7,200,000</td><td>4,041,738</td><td>3,158,262</td></tr>
<tr><td>Total</td><td>48,000,000</td><td>23,372,088</td><td>24,627,912</td></tr>
</table>
</td></tr>
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REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in (i) global carbon neutral business, focusing on trading of carbon-credit assets, carbon credit and carbon asset development, management and investment in carbon neutral related fields and carbon consulting and planning; and utilising a blockchain-based dual-carbon digital control platform to connect and mobilise the entire dual carbon chain resource to support the sustainable development of the dual-carbon economy; (ii) ecological governance and civil engineering business; and (iii) green credit digital technology business.

The Group is actively developing its global carbon neutral business. Such business expansion requires the Company to increase its fund size, with an aim to improving the profit-making abilities and developing abilities of the Group. After having studied the feasibilities of many fundraising activities, the Company is of the view that (i) the Subscription will not result in interest costs or other expenses; (ii) the Subscription will ensure that the Company can obtain funds of a certain amount within a short time; and (iii) issuance of new Shares by the consideration of cash will improve the financial position of the Company, such as increasing the liquidity, lowering the gearing ratio and enhancing the risk resistance capacity in a whole. In addition, the Subscription Price and the quantity of the Subscription was made by reference to the prevailing and recent market prices and trading volume of the Shares. The Board believes that the Subscription Agreement is made on normal commercial terms, are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

The gross proceeds of the Subscription will be HK$77,273,600. The net proceeds from the Subscription (after deducting all applicable costs and expenses of the Subscriptions) will be approximately HK$77,270,000 and a net issue price of HK$0.80 per Subscription Share. The Group intends to use the proceeds from the Subscription for (i) approximately HK$38,635,000, equivalent to approximately 50% of the net proceeds from the subscription for enrichment of general working capital including salaries and benefits (50%), and business development expenses (50%); (ii) approximately HK$38,635,000, equivalent to approximately 50% of the net proceeds from the subscription for debt repayment.

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.

DEFINITIONS

In this announcement, unless the context otherwise requires, the expressions below have the meanings assigned:

"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 between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which 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 (stock code: 1372)
"Completion"	completion of the Subscriptions
"Completion Date"	the date of Completion which shall be a date falling within ten (10) Business Days after fulfillment of the last condition (or such other date as the parties thereto may agree)
"Directors"	directors of the 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 the then number of the 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
"Subscriber A"	Mr. Zheng Ju (鄭舉先生), natural person and Independent Third Party

"Subscriber B"	Mr. Gao Lihan (高立漢先生), natural person and Independent Third Party
"Subscriber C"	Mr. Duan Xinxiao (段新曉先生), natural person and Independent Third Party
"Subscription Agreement A"	Subscription agreement dated 13 May 2026 entered into between the Company and the Subscriber A
"Subscription Agreement B"	Subscription agreement dated 13 May 2026 entered into between the Company and the Subscriber B
"Subscription Agreement C"	Subscription agreement dated 13 May 2026 entered into between the Company and the Subscriber C
"Subscription Agreements"	Subscription Agreement A, Subscription Agreement B and Subscription Agreement C
"Subscription Price"	HK$0.80 per Subscription Share
"Subscription Shares"	96,592,000 new Shares to be subscribed by the Subscribers under the Subscription Agreements
"Subscriptions"	The subscriptions of the Subscription Shares by the Subscribers pursuant to the terms and conditions of the Subscription Agreements

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

Hong Kong, 13 May 2026

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