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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)

DISCLOSEABLE TRANSACTION ACQUISITION OF LISTED SECURITIES

THE ACQUISITION

The Board announces that as of 10 June 2021, China Carbon Neutral Development Group Limited (“the **Company**”) completed to subscribe an aggregate of 200,000,000 China Ecotourism Group Shares through the placing of the untaken shares under the rights issue of China Ecotourism Group Limited (“**China Ecotourism Group**”) (stock code: 1371) at an aggregate consideration of approximately HK\$20,000,000 (excluding stamp duty and related expenses).

LISTING RULES IMPLICATION

As certain applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Acquisition exceed 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements of the Listing Rules.

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INFORMATION ON CHINA ECOTOURISM GROUP

China Ecotourism Group is a company incorporated in Bermuda with limited liability. It is an investment holding company principally engaged in the ecotourism business in China.

The following financial information is extracted from the published documents of China Ecotourism Group:

	For the year ended	
	31 December	
	2020	2019
	HK\$ '000	HK\$ '000
Revenue	118,563	154,354
Loss before income tax	(630,445)	(546,345)
Loss for the year	(623,918)	(550,100)

Based on China Ecotourism Group's published documents, China Ecotourism Group has an audited net asset value of HK\$168,298,000 as at 31 December 2020 and HK\$531,517,000 as at 31 December 2019 respectively.

REASONS FOR AND BENEFITS OF THE ACQUISITION

China Ecotourism Group is a company listed in Hong Kong Stock Exchange whose principal business is to develop ecotourism related business in China, and is committed to promoting ecological environment protection and sustainable development. The Company was determined to carry out carbon neutral business, expanded carbon neutral and related businesses and investments, and sought to continuously expand business cooperation opportunities in related areas. This strategic stake in China Ecotourism Group is an organic part of the Company's implementation of the relevant strategy, which can lay a good foundation for the development of carbon assets and carbon credits and further develop the negative carbon emissions domain business. The Board believes that a stake in China Ecotourism Group will facilitate co-operation between both parties, bring a lot of business opportunities to the Group's business development and potentially benefit the Company's financial performance.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Acquisition”	acquisition of China Ecotourism Group Shares by the Company as disclosed in this announcement
“Board”	the board of directors of the Company
“Company”	China Carbon Neutral Development Group Limited (stock code: 1372), a company incorporated in Cayman Islands with limited liability and securities of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“China Ecotourism Group”	China Ecotourism Group Limited, a company incorporated in Bermuda with limited liability and shares of which are listed on the main board of the Stock Exchange (stock code: 1371)
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“%”	per cent

By order of the Board
China Carbon Neutral Development Group Limited
Gao Gunter
Chairman

Hong Kong, 10 June 2021

As at the date of this announcement, the executive Directors are Dr. Gao Gunter, Mr. Chen Xinwei, Dr. Cui Dingjun, Mr. Di Ling, Mr. Chen Lei and Mr. Artem Matyushok; and the independent non-executive Directors are Mr. Ip Mei Shun, Mr. Leung Tsz Wing and Mr. Yu Wai Chun.