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**(Stock code: 1372)**

## **VOLUNTARY ANNOUNCEMENT**

### **Global First Compliance-Issued Carbon Coins**

#### **Initial Issuance of 500 Million Tokens**

This announcement is a voluntary disclosure made by China Carbon Neutral Development Group Company Limited ("CCNG" or the **"Company"**, collectively with its subsidiaries, the **"Group"**) to inform the Company's shareholders and interested investors of the latest developments regarding the Group's business.

The board of directors of the Company (the **"Board"**) is pleased to announce that Global Carbon Asset Management Co., Limited, a wholly-owned subsidiary of the Group, has successfully completed rigorous compliance reviews and issued, distributed and managed a total of 500 million Carbon Coins on DigiFT, a licensed digital asset trading platform in Singapore. The issuance is underpinned by 500,000 tonnes of Verified Carbon Standard (**"VCS"**) certified carbon credits as underlying assets. Leveraging DigiFT's regulated Real-World Asset (**"RWA"**) tokenization and trading infrastructure, this initiative realizes on-chain digitization and compliant transfer of carbon credit assets. This marks the world's first compliance carbon coin based on an internationally recognized carbon standard, as well as the first token issuance using VCS carbon credits as underlying assets on a regulated overseas on-chain exchange.

As global climate governance accelerates, the carbon market, a core financial tool for driving low-carbon transition, faces bottlenecks including insufficient liquidity, high costs, and difficulties in regulatory oversight under traditional trading models. By converting internationally certified VCS carbon credit assets into digital tokens supported by blockchain technology, this issuance not only reshapes the carbon asset trading chain technically but also explores a new paradigm for green asset circulation institutionally. This milestone event signifies the Group's breakthrough progress in the field of RWA digital asset tokenization, and heralds a new phase of large-scale implementation for carbon asset digitization and green financial innovation. It holds landmark strategic value for achieving global carbon neutrality goals and building a green economic system, serving as a benchmark practice in response to global climate consensus and innovating green value circulation pathways.

**● The World's First Carbon Coin Issued on a Regulated Overseas On-Chain Exchange: Reshaping the underlying Logic of the Carbon Market to Lead a New Global Low-carbon Development Ecosystem**

This issuance breaks through geographical and morphological constraints of traditional carbon asset trading, establishing a full-chain closed-loop of "carbon asset confirmation-standardization of digital certificates-liberalized circulation". As the world's first digital carbon asset product issued on a regulated overseas on-chain exchange, this innovation not only provides the global carbon market with a standardized value carrier that is traceable, divisible and transferable but also builds a bridge between green finance and the digital economy. It offers a replicable and scalable model for advancing carbon neutrality strategies globally, driving climate governance from a policy-driven phase to a new stage of market and technology-driven development, and facilitating the construction of a more efficient, inclusive and resilient global low-carbon development ecosystem.

**● Core Support from Underlying VCS Carbon Assets: Strengthening the Value Foundation for Global Circulation**

The underlying assets for this Carbon Coin issuance are VCS-certified carbon credits. Launched in 2005 by international authoritative bodies including the World Wide Fund for Nature, the VCS is managed by the non-profit international organization Verra. As the world's most widely adopted and market-recognized voluntary carbon reduction mechanism, it covers key areas such as forestry carbon sinks, renewable energy, and energy efficiency improvement. It has been incorporated into carbon reduction systems in 96 countries and regions, with cumulative issued reductions exceeding 1.2 billion tonnes, accounting for 60%-70% of global carbon sink trading volume. Leveraging the international universality and authority of VCS carbon assets, combined with the Group's substantial VCS carbon asset reserves, the issued Carbon Coins inherently possess global

circulation attributes, providing a stable and credible value anchor for carbon trading. This breaks the fragmentation of national carbon markets and contributes to the formation of a unified and open global carbon trading system.

- **Innovative Value of Dual-Chain Technical Architecture: Integrating Effective Regulation with Market Efficiency to Reshape an Inclusive New Carbon Trading Ecosystem**

The Carbon Coin issuance is based on an underlying architecture collaboratively built by the Group's independently developed Green Trust Alliance Chain and public chain technology, achieving an organic unity of "regulatory controllability" and "market efficiency". As a financial-grade trusted collaborative network, the Green Trust Alliance Chain features a four-in-one architecture of "penetrating supervision, data sharing, privacy protection and credit empowerment", enabling full life-cycle traceability and immutability of carbon assets from project development, certification and issuance to trading and circulation, providing regulators with real-time and precise oversight capabilities. Combined with the transparent circulation characteristics of the public chain, transaction matching and settlement are completed through smart contracts, reducing the traditional carbon trading cycle from weeks to minutes and significantly lowering transaction costs.

Through the decentralized issuance and circulation mechanism of the regulated digital asset trading platform, this initiative ensures transparent and fair transactions while connecting global capital with high-quality carbon projects through cross-chain interoperability technology. It reshapes the trust foundation of the carbon market, transforming it from a centralized, high-threshold niche market to a decentralized, widely participatory inclusive market.

- **Core Value of Enhanced Liquidity: Activating the Inclusive Development Potential of the Carbon Market**

Through digitalization, fractionalization and compliant circulation design, this Carbon Coin issuance directly addresses the industry pain points of traditional carbon assets, including concentrated transactions, insufficient liquidity and high investor thresholds. By standardizing underlying carbon assets into tradable units, the Carbon Coins lower participation barriers and expand investor access within a compliant framework. Taking advantage of Singapore's position as an international financial hub and the distributed nature of blockchain technology, 24/7 uninterrupted global trading is enabled through the regulated DigiFT platform, attracting diverse qualified investors meeting regulatory requirements. This significantly enhances carbon market liquidity and price discovery efficiency, making carbon assets more accessible and investable for investors, while

empowering enterprises to flexibly manage their carbon assets, optimize emission reduction strategies and carbon cost structures, and enhance their sustainable development image and market competitiveness while meeting regulatory compliance requirements.

- **Innovative Value of Financial Attribute Empowerment: Facilitating a Sustainable Green Capital Cycle to Advance Global Carbon Neutrality**

The launch of Carbon Coins fully activates and unleashes the financial attributes of carbon assets. As standardized digital assets, Carbon Coins possess financial product characteristics including clear pricing, convenient trading and controllable risks, enabling exploration of diversified application scenarios such as carbon pledge financing and asset preservation and appreciation, filling the gap in carbon financial derivative tools. By quantifying ecological value into tradable financial value, Carbon Coins break down barriers between green capital and real emission reduction projects. They provide stable funding sources for emission reduction projects, addressing the challenges of "difficult and expensive green financing", while offering investors investment options that balance environmental and economic benefits. This promotes the formation of a virtuous cycle of "investment-emission reduction-returns-reinvestment" in green capital, supporting high-quality development of global green industries.

- **Collaborative Value of Ecosystem Co-Construction: Leading a Win-win Path Toward Global Low-carbon Growth**

This Carbon Coin issuance is not merely a single product innovation but a key step in the Group's construction of a full-chain low-carbon ecosystem encompassing "emission reduction project development-carbon asset certification-digital token transformation-ecological value feedback". Within this ecosystem, emission reduction projects can achieve efficient circulation through Carbon Coins, obtaining sustained operational capital to accelerate implementation and technological iteration. Investors can participate in trading to share green development dividends and complete green asset allocation. Regulators achieve full-process transparent supervision through blockchain technology, enhancing carbon market governance efficiency. Qualified investors including individuals, small and medium-sized enterprises, and institutional investors meeting regulatory requirements can conveniently offset their carbon emissions through digital operations, practicing low-carbon living concepts. The deep participation of multiple stakeholders ultimately forms a virtuous cycle characterized by "benefits from emission reduction, returns on investment, regulatory basis, and accessible participation", laying a solid market-oriented and inclusive foundation for advancing global carbon neutrality goals.

Looking ahead, the Group will continue to expand Carbon Coin application scenarios in new energy, circular economy, green supply chains and other fields, promoting their deep integration with green consumption, green transportation and green production. The Group will collaborate with global partners to build an open, collaborative and win-win global low-carbon ecosystem, injecting sustainable development momentum into the global carbon neutrality cause.

The Board believes that issuing Carbon Coins on a regulated overseas on-chain exchange is of profound significance, as it injects three core elements into the global carbon market: transparency, efficiency and accessibility. This represents not merely a technological upgrade but a paradigm revolution in the carbon market, expected to resolve long-standing trust crises and liquidity challenges, and guide global capital to flow more efficiently into key areas addressing climate change. This Carbon Coin issuance further expands the Group's application boundaries in green digital asset tokenization, marking an important milestone in the Group's practice of green development philosophy. It holds positive significance for promoting standardization of carbon asset transactions and innovation in green asset financing, and will strongly advance the construction of a global green asset financial ecosystem, facilitating high-quality industry development. The Company believes that deep participation in the green digital technology field will bring sustainable business growth and long-term financial returns to the Group, laying a solid foundation for its global low-carbon business layout and further consolidating and enhancing the overall interests of the Group and its shareholders.

By order of the Board

**China Carbon Neutral Development Group Limited**

Chen Yonglan

*Chairman and Non-executive Director*

Hong Kong, 29 December 2025

*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.*