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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)**

## **SUPPLEMENTARY ANNOUNCEMENT**

- 1. DISCLOSABLE TRANSACTION: FINANCIAL ASSISTANCE;**
- 2. TERMINATION OF FRAMEWORK AGREEMENT AND LS AGREEMENT; AND**
- 3. ENHANCEMENT OF CORPORATE GOVERNANCE AND  
IMPROVEMENT OF COMPLIANCE MEASURES**

Reference is made to the announcements of China Carbon Neutral Development Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 11 May 2023 and 11 September 2023 (the “**Announcements**”). Capitalised terms defined in the Announcements shall have the same meanings as those used herein.

On 11 May 2023, the Company and China Carbon Green Credit Technology (Shenzhen) Co., Limited (“**Green Credit**”), a subsidiary of the Company, had jointly entered into a cooperation framework agreement (“**CFA**”) with TusCity Group Co., Ltd.\* (“**TusCity Group**”) and Tus Zhongshi (Beijing) Technology Development Co., Ltd., the wholly-owned subsidiaries of Tus-Holdings Co., Ltd.\* (“**TusHoldings**”), to jointly develop carbon neutrality businesses, under which the parties agreed to collaborate extensively in the areas of carbon-neutral digital technology and “zero-carbon” industrial parks.

On 11 September 2023, the Company and Green Credit entered into a supplementary agreement to the CFA (the “**Supplementary to CFA**”) with TusCity Group regarding the joint development of carbon neutrality businesses. The Supplementary to CFA stipulates the joint development of domestic park projects including Nanjing TusPark, TusPark (Ningbo), Tus Xiangshan Center and Tus Shanghai Caohejing Science Park into “National Double-carbon Digital Industrial Demonstration Parks” (collectively known as “**TusCity Park**”).

On 18 October 2023, the Company entered into a construction and design contract (建設工程勘察及設計合同書) (the “**LS Agreement**”) with Lushan Ecological Environmental Construction Limited\* (綠山生態環境建設有限公司) (“**LSE**”). Due to the Company’s plans to invest in and develop carbon-neutral business projects in the technology/industrial parks owned by TusCity Group including but not limited to distributed rooftop photovoltaic power generation projects, energy storage projects, charging piles, battery swap cabinets, and shared new energy transportation services. The Company thereby entrusted LSE to conduct surveys and design planning for TusCity Group’s parks nationwide. As such, the Group made part of payment in advance to LSE for engineering surveys and related design services. The recipient of this advance payment is LSE which is independent of the Company at the time of the advance payment made, and it is a qualified contractor in the construction.

## **REASONS FOR AND BENEFITS OF THE ADVANCE PAYMENT**

This cooperation is an important step in strengthening and expanding the existing business of Green Credit which would include the development of carbon neutral digital technology. Future “zero-carbon” industrial parks will leverage Green Credit’s Dual Carbon Digital Management and Control Platform for the construction of green and low-carbon parks including development various types of new energy such as solar power. The Chinese government will issue green certificates for all electricity generated by registered solar power projects. Green certificates can offset carbon emissions. Consequently, companies and individuals can purchase green certificates to demonstrate their use of green energy or support for environmental protection. Companies may also purchase green certificates to offset high carbon emissions. Green certificates are tradable carbon assets, aligning with our existing carbon asset development business. The advance payment was made to design the dual carbon transition to low-carbon and zero-carbon construction within the industrial park at TusCity Park. The Board considered that the advance payment was made was fair and reasonable, and in the best interests of the Company and its shareholders as a whole.

## **ACCOUNTING TREATMENT AND FINANCIAL IMPACT**

Having reviewed by the audit committee of the Company and taking into account of the content of the arrangements under the LS Agreement, the Board is of the view that the implementation of CFA might involve future capital expenditure such as acquisition of property, plant and machinery. Nonetheless, LS Agreement is wholly a revenue nature in terms of provision of engineering survey and design. It lays the foundation for implementation planning by providing the necessary consultancy for the execution of the project.

## **TERMINATION OF CFA AND LS AGREEMENT**

The Board hereby informs the Company’s shareholders and potential investors that the proposed solutions developed through prior surveys and designs were subject to various constraints, including roof built structural load-bearing capacity, orientation, aesthetics, and environmental protection requirements. Furthermore, the proposed solutions did not obtain approval from relevant authorities and the property management company during the survey and design phase. Additionally, adjustments to national support policies for photovoltaic projects have eliminated policy subsidies, while the proportion of self-consumption for photovoltaic power generation continues to rise and grid access conditions become increasingly stringent. As such, after due and careful consideration, the Company, Green Credit, TusCity Group and Tus Zhongshi (Beijing) Technology Development Co., Ltd.\* entered into amendments to CFA to terminate transaction contemplated under the CFA and supplementary to CFA (the “**Termination of CFA**”). In light of the Termination of CFA, the Company had entered into a termination agreement with LSE, and settlement will be made on a pro-rata basis according to the work already completed, including but not limited to fee settlement, asset return, and document transfer.

## STRENGTHENING GOVERNANCE AND ENHANCING COMPLIANCE MEASURES

The Board has consistently prioritized strengthening corporate governance and establishing compliance mechanisms; monitoring matters such as equity changes, major investments and financing, and related party transactions. It will further enhance supervision and training of subsidiaries, particularly regarding financial tests and related disclosure provisions under Chapters 13 and 14 of the Listing Rules. The aforesaid advance payment, exceeding the 8% asset ratio threshold defined under Rule 14.07(1) of the Listing Rules but not exceeding the 25% asset ratio threshold as stipulated under Rule 13.13, should have been announced within a reasonable and practicable time frame. However, disclosure of this advance payment was inadvertently delayed. Consequently, the Company has completed and is committed to implementing enhanced management measures to ensure thorough understanding and full compliance with the relevant requirements of the Listing Rules, including: (1) strengthening the Group's internal controls, including enhancing project collaboration approval management for subsidiary management to ensure compliance with the relevant requirements of the Listing Rules; (2) providing specialized guidance and training to the Company's directors, senior executives, and financial leadership, particularly regarding general disclosure obligations under the Listing Rules, corporate governance, compliance and the Listing Rules; and (3) the Company's finance department and corporate secretariat are responsible for examining whether any transactions fall under the disclosure requirements of Chapters 13 and 14 of the Listing Rules. The head of the finance department prepares relevant size tests in accordance with Chapters 13 and 14 of the Listing Rules. Therefore, the Board believes that the above measures can effectively and substantially improve internal control and internal management procedures, thereby fully complying with the relevant requirements of the Listing Rules.

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

Hong Kong, 13 February 2026

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

*\*For identification purpose*