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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)

VOLUNTARY ANNOUNCEMENT **Completion of Testing of Carbon Credit Stablecoin Protocol**

This is a voluntary announcement made by China Carbon Neutral Development Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to inform the shareholders of the Company and potential investors of the latest news on the Group's business development.

Future Marvel Limited, a subsidiary of the Group, has recently successfully completed the technical testing of carbon credit stablecoins (“**Carbon Coins**”). Each Carbon Coin (1:1) is anchored to 1 kilogram (kg) of carbon credits. The Carbon Coin is a carbon credit anchoring protocol based on real carbon credits, leveraging blockchain technology and smart contract technology to achieve efficient, transparent, and automated carbon credit transactions. In conjunction with the Carbon Credit Anchor Protocol, the application systems including a lifecycle management system for carbon credit accounts, carbon reduction projects, and carbon credits, as well as a trading system for Carbon Coins. It aims to enhance the technical connectivity, data compatibility, and the complete carbon asset trading function of carbon coins, thereby facilitating the tokenization of carbon credits globally.

The global carbon market faces numerous challenges, including inefficiency, lack of standardization, insufficient transparency, and market fragmentation. A unified tokenized carbon ecosystem that enables easy transfer of carbon credits between buyers and sellers and supports seamless settlement will contribute to the development of global carbon trading. Currently, the voluntary carbon credit market is at an opportune stage for innovation, and the tokenization of carbon credits will enhance the credibility of the underlying carbon assets. This technology will increase information and price transparency, ultimately leading to increased market liquidity.

Stablecoin is a digital currency anchored to real assets, with its core significance lying in restructuring financial infrastructure through technological innovation, establishing a stable value reference within the cryptocurrency market, and serving as a key driver in the evolution of the global financial landscape.

Stablecoin can significantly enhance the efficiency of cross-border payments: supported by blockchain technology for peer-to-peer real-time settlement, it reduces cross-border payment costs to one-tenth of traditional systems, with transaction speeds achieving second-level processing. In 2024, 10% of the global cross-border payments were made using Stablecoins.

The Board believes that the successful completion of testing for the Carbon Coins and the Carbon Credit Anchor Protocol will improve the quality tracking and transparency of carbon reduction projects, providing connectivity for carbon market service providers. This has positive significance for promoting global carbon asset trading and green asset financing, and will also benefit the advancement of the green asset financial ecosystem and industry development. The Company believes that participation in the digital technology sector will bring sustainable business growth and financial returns to the Group, laying a solid foundation for expanding other business areas, and further strengthening the overall interests of the Group and our shareholders.

By order of the Board
China Carbon Neutral Development Group Limited
Zhong Guoxing
Chairman and Executive Director

Hong Kong, 16 July 2025

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