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CENTRAL HOLDING GROUP CO. LTD.

中環控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1735)

VOLUNTARY ANNOUNCEMENT IN RELATION TO THE ENTERING INTO OF A LETTER OF INTENT FOR STRATEGIC INVESTMENT

This announcement is made by Central Holding Group Co. Ltd. (the “**Company**”) on a voluntary basis.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 2 March 2022 (after trading hours), Central Green Building & Energy Resources Group (HK) Limited (“**Central Green**”), a wholly-owned subsidiary of the Company, together with SmartPower Technology (Shanghai) Co., Ltd.* (孚堯能源科技(上海)有限公司) (“**SmartPower Technology**”) and Shanghai Treasure Carbon New Energy Environmental Protection Technology Ltd.* (上海寶碳新能源環保科技有限公司) (“**Treasure Carbon**”) entered into a letter of intent (the “**Letter of Intent**”).

THE LETTER OF INTENT

Based on the principle of “mutual benefits, long term stability, joint development and progressive advancement”, the current operation status of the parties, promising corporate development prospects, and tremendous market potential and favourable governmental policies in the low carbon, new energy and carbon-neutral industry, and as the industries of which SmartPower Technology and Treasure Carbon are in correspond with the types of industry investment of the Company, the parties intend to become strategic partners and assist SmartPower Technology and Treasure Carbon in integrating resources in photovoltaic power plants and photovoltaic new energy, and expanding in markets such as low carbon development and low carbon industry chain investment to create a larger and stronger low carbon new energy network collectively.

Pursuant to the Letter of Intent, Central Green has agreed to leverage its comprehensive strength and competitive advantages in areas such as green photovoltaic integrated technology, financial services, industry investment and resources integration, and proposed to provide both SmartPower Technology and Treasure Carbon funding support, capital operation and industry resources support preferentially by way of merger and acquisitions, fund investments, and establishment of joint venture companies etc. upon fulfilment of the investment requirements of Central Green.

On the other hand, SmartPower Technology has agreed to fully leverage its development, investment and operational capabilities in the construction of photovoltaic power plants and smart production bases of the whole photovoltaic industry chain, and Treasure Carbon has agreed to leverage its development and operational capabilities in low carbon industry integrated services, carbon financing services and carbon technology services, to facilitate the development and construction of investment projects of both SmartPower Technology and Treasure Carbon respectively by Central Green as an industry investor.

INFORMATION ABOUT SMARTPOWER TECHNOLOGY

SmartPower Technology is a company established in the People's Republic of China (the "PRC") in May 2014 with limited liability. It is one of the leading corporations in the industry that specialises in vertically integrated midstream and downstream industry chain of the photovoltaic industry. SmartPower Technology has the capacity of 3GW high-efficient battery modules and 5GW high-efficient battery modules, and is constructing 5GW and 8GW battery modules capacity. Currently, SmartPower Technology has developed and implemented a power system of capacity of over 1500MW for a new energy project, and is responsible for the asset management of 1200MW in the power system throughout its lifecycle. It also holds exploitation rights of over 6GW in a new energy reserve project in the southern part of the Middle East.

INFORMATION ABOUT TREASURE CARBON

Treasure Carbon is a low carbon service provider established in the PRC in November 2010. Treasure Carbon is the largest carbon asset developer in the PRC and holds a leading position in the Chinese carbon asset reserve market. It is principally engaged in the provision of developing carbon emission reduction projects, carbon compliance services (including carbon emission verification, carbon asset management, carbon trading, carbon financial services, low-carbon capacity construction, etc.), carbon information disclosure and carbon neutral services to carbon emission reduction companies, emission control companies and other carbon market participants. As an integrated service provider in the low carbon industry, Treasure Carbon has provided consultation services on sustainable development and policy research to various local governments and organisations in the PRC.

REASONS FOR AND BENEFITS OF ENTERING INTO THE LETTER OF INTENT

The Board believes that the strategic investment as contemplated and outlined in the Letter of Intent will allow the Company and its subsidiaries (collectively, the "Group") to leverage on the extensive experience of SmartPower Technology and Treasure Carbon in the business areas of photovoltaic power generation, photovoltaic energy resources integration, low carbon development and low carbon manufacturing investment services. The Board also believes that the strategic investment may expand the Group's business opportunity as well as realise the green photovoltaic integrated business of the Group, broaden its income sources and enhance its financial performance. Thus, the Board considers the strategic investment will be beneficial to the future growth of the Group, and will be in the interests of the Company and its shareholders as a whole.

The Board wishes to state that no forecast or prediction of the profits of the Group has been made with regard to the Letter of Intent.

Shareholders of the Company and potential investors should note that the Letter of Intent is not legally binding and merely provides a strategic cooperation and investment framework between Central Green, SmartPower Technology and Treasure Carbon. The terms of the cooperation and investment contemplated under the Letter of Intent are subject to the terms of any definitive agreements which Central Green, SmartPower Technology and Treasure Carbon may subsequently enter into from time to time. Further announcement(s) will be made by the Company as and when appropriate in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

* *For identification purposes only*

By Order of the Board
Central Holding Group Co. Ltd.
Yu Zhuyun
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 2 March 2022

As at the date of this announcement, the executive Directors are Mr. Yu Zhuyun (Chairman and Chief Executive Officer) and Mr. Li Menglin; the non-executive Directors are Mr. Qiao Xiaoge and Ms. Zhu Yujuan; and the independent non-executive Directors are Mr. Li David Xianglin, Mr. Wang Wenxing and Dr. Zhou Chunsheng.