

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ALLIED SUSTAINABILITY AND ENVIRONMENTAL CONSULTANTS GROUP LIMITED

沛然環保顧問有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8320)

**VOLUNTARY ANNOUNCEMENT
FORMATION OF A JOINT VENTURE**

This announcement is made by Allied Sustainability and Environmental Consultants Group Limited (the “**Company**” together with its subsidiaries, the “**Group**”) on a voluntary basis.

The board of directors (the “**Directors**”) of the Company (the “**Board**”) is pleased to announce that on 22 February 2021, the Company, Bamboo International (Group) Co., Ltd. (“**Bamboo Int’l**”) and an independent third party entered into a joint venture agreement (the “**JV Agreement**”) for the establishment of a joint venture company named Bamboo Technology Limited (“**Bamboo Technology**”) which is 30% owned by the Company, 40% owned by Bamboo Int’l and 30% owned by the independent third party. The initial capital of Bamboo Technology is approximately HK\$1.5 million and will obtain follow-up rounds of funding from different green technology incubation programs and prestigious venture capital firms to speed up the technology developments and growth of Bamboo Technology. Bamboo Technology is principally engaging in developing a Bamboo Based Modular integrated Construction (“**BMiC**”) which is eco-friendly with lower embodied carbon to be obtained from nature. BMiC can be used in transitional housing, social housing and other social facilities. It involved comprehensive bamboo construction to promote a new era of sustainable architecture, which ultimately to achieve of the United Nations Sustainable Development Goals (“**UNSDG**”).

INFORMATION ABOUT BAMBOO INT'L

Bamboo Int'l is a Hong Kong company with their own factory in Ganzhou, the People's Republic of China. They are specialized in industrialized products made of bamboo and dedicate efforts to protect the environment in style. They continue to invest to explore the full potential in the usage of bamboo and its integration with other green technology, to put forward innovative and sustainable living solutions, driving the use of bamboo as a sustainable alternative to wood and other materials. They have in-house capability to provide one-stop solutions from design to factory pre-fabrication solution. Bamboo Int'l has accomplished many critical projects, including supply of standard furniture units to Hotel Jakarta, Amsterdam in the Netherlands; supply of bespoke furniture, screens and wall panels to Old Bailey Restaurant in Hong Kong; supply of wall panels, furniture for students' residence, fixed furniture, outdoor decking, interior sports flooring and official souvenirs to local university in Hong Kong; supply of bamboo veneer boards and screens for interior use in Shanghai and manufacture and supply of false ceiling for Ramon Airport in Israel, etc.

INFORMATION ABOUT THE COMPANY

The Company is an investment holding company which is the first sustainability and environmental consultancy service provider in Hong Kong listed on GEM of the Stock Exchange of Hong Kong Limited. Its subsidiaries are principally engaged in the provision of consultancy services relating to green building certification consultancy, sustainability and environmental consultancy, acoustics, noise and vibration control and audio-visual design consultancy and environmental, social and governance (“ESG”) reporting consultancy in Hong Kong, Macau and the People's Republic of China. The Group strives to provide one-stop on-demand services for customers covering five areas, including (a) green and healthy building; (b) acoustics, audiovisual, lighting and theatre planning; (c) environmental consultancy and sustainable design; (d) green finance, sustainability strategies and ESG; and (e) Smart & Green Internet of Things (IoT). The Company is developing new services on the provision of advisory services on sustainable financing, investment management, capital raising and real estate in the Asia Pacific area.

BENEFITS OF AND REASONS FOR ENTERING INTO THE JV AGREEMENT

The joint venture between the Company, Bamboo Int'l and the independent third party involves the Group's environmental consultancy expertise and Bamboo Int'l's expertise in providing inspirational design solutions with emphasis on all bamboo products and its integration with other green technology to put forward innovative and sustainable living solutions. The Group believes that the formation of joint venture will create synergies for the Group's environmental business by development of BMiC which is eco-friendly with lower embodied carbon as compared with other construction materials. It can enhance the flexibility of reassemble, reuse and recycle. BMiC can also help in social aspect when it is used in transitional housing, social housing and other social facilities. With the development of this project, we can create more job opportunities, improve the utilization of our brownfield, and create our local technology. In the future, we can export the technical know-how to other countries and regions, particularly those in earthquake zone, which are using timber as its major construction materials. Ultimately it can help to achieve UNSDG targets and decarbonization.

The Board believes that the formation of the joint venture will benefit the future business development of the Group. The Board is of the view that the terms of the JV Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

IMPLICATION UNDER THE GEM LISTING RULES

As all of the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules in respect of the establishment of the Joint Venture and the transactions contemplated under the JV Agreement are less than 5% and no new shares of the Company will be issued, the entering into of the JV Agreement and the transactions contemplated thereunder are not subject to announcement nor shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

By order of the Board
**Allied Sustainability and Environmental
Consultants Group Limited**
Kwok May Han Grace
Chairman and Executive Director

Hong Kong, 22 February 2021

As at the date of this announcement, the executive Directors are Ms. Kwok May Han Grace (Chairman) and Mr. Wu Dennis Pak Kit (Vice Chairman); and the independent non-executive Directors are Professor Lam Kin Che, Ms. Wong Yee Lin Elaine, Mr. Li Wing Sum Steven and Mr. Szeto Chi Hang Clive.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of GEM website at www.hkgem.com for at least 7 days from the date of its publication. This announcement will also be published on the Company's website at www.asecg.com.