

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (“Stock Exchange”) 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
STRATEGIC COOPERATION MEMORANDUM WITH
HENG TAI CONSUMABLES GROUP LIMITED
TO JOINTLY PROMOTE
SUSTAINABILITY AND CARBON NEUTRALITY

This announcement is made by Allied Sustainability and Environmental Consultants Group Limited (the “**Company**” together with its subsidiaries, the “**Group**”) on a voluntary basis to provide the latest information of the business development of the Group for its shareholders and potential investors.

STRATEGIC COOPERATION MEMORANDUM

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 28 December 2021 (after trading hours), the Company entered into a strategic cooperation memorandum (the “**Strategic Cooperation Memorandum**”) with Heng Tai Consumables Group Limited and its subsidiaries (“**HTC Group**”). Pursuant to the Strategic Cooperation Memorandum, the principal terms of the cooperation are as follows:

1. HTC Group is going to collaborate with the Group to embed sustainable low carbon practices in its operation in order to promote and achieve carbon neutrality. HTC Group and the Group aim to assist the suppliers, clients, business partners and other stakeholders in adopting sustainable practices, advocated Environmental, Social and Governance (“**ESG**”), Nature-based Solutions (“**NbS**”), green finance and responsible investment;

2. Under this collaboration, it is the goal to provide (i) green technology recommendations and complimentary green finance and responsible investment advices and (ii) thoughtful, technical and sustainable NbS for carbon neutrality for our respective potential clients;
3. To better achieve the abovementioned goal, HTC Group and the Group will incorporate the application of blockchain technology and NbS as we believe that blockchain technology is one of the essential elements to establish quality carbon credits for Carbon Trading Market and NbS is a holistic and sustainable approach to combat climate change and to develop carbon offsetting mechanism;
4. The Group will assist HTC Group on the development of its framework with reference to Task Force on Climate-related Financial Disclosures and Taskforce on Nature-related Financial Disclosures to enhance climate risk disclosures and to combat climate change. In addition, the Group will assist HTC Group to improve its ESG performance, to reduce carbon emission, to set a roadmap for carbon neutrality and to develop strategies to capture new business opportunities arisen from climate change resilience;
5. With this collaboration, HTC Group and the Group are committed to providing sustainability and carbon neutrality consulting services to advise diverse clients on practical solutions to reduce carbon emissions in their operations; and
6. The Group and HTC Group aim to jointly promote the businesses arising from this Strategic Cooperation Memorandum through webinars, training courses and industry events regularly to foster knowledge sharing in carbon emission reduction and enhance sustainability awareness among target customers.

The Strategic Cooperation Memorandum will be valid for 1 year from 28 December 2021. Other than the provisions relating to its term, confidentiality and miscellaneous provisions, the Strategic Cooperation Memorandum shall not be legally binding. The Group and HTC Group have agreed to conduct further negotiations according to the business plans and targets as set out in the Strategic Cooperation Memorandum. The detailed rights and obligations of the Group and HTC Group will be separately agreed upon in the definitive implementation agreements (if any).

INFORMATION ABOUT HTC GROUP

Heng Tai Consumables Group Limited is listed on the Main Board of the Stock Exchange (Stock code: 00197) and HTC Group is principally engaged in (i) the trading of packaged foods, beverages and household consumable products; (ii) the trading of agri-products and the upstream farming business; (iii) the provision of cold chain logistics services and value-added post-harvest food processing and (iv) other businesses primarily arising from the securities brokerage and margin financing business, and the tourist retailing business. The first three businesses come together to form two vertically integrated supply chains allowing HTC Group to effectively deliver perishable and non-perishable consumer products in the People's Republic of China.

REASONS FOR AND BENEFITS OF ENTERING INTO THE STRATEGIC COOPERATION MEMORANDUM

The Company has been exploring opportunities for potential cooperation, with the purpose of enhancing the returns to its shareholders. The cooperation between the Group and HTC Group involves the Group's consultancy expertise on carbon neutrality and green finance and HTC Group's experience in trading business. The Group believes that the cooperation with HTC Group is an important step in the development of the Group's carbon neutrality business and will bring significant business opportunities to the Group's business expansion by assisting companies to achieve zero carbon emissions. The Group will provide comprehensive carbon neutral solutions, give full utilization on the resources and professional advantages of both parties and develop an all-win business cooperation model. The Board also believes that the cooperation will complement the Group's existing expertise and elevate its services to the next level, which shall in turn strengthen the Group's sustainability strategies and carbon neutrality consulting business and establish a niche in the increasingly competitive market. Taking into account the above reasons and benefits, the Directors consider that the terms of the Strategic Cooperation Memorandum and the transactions contemplated thereunder, if materialize, are in the interests of the Group and its shareholders as a whole.

GENERAL

The Group and HTC Group may or may not proceed to execute any legally binding agreement in relation to the Strategic Cooperation Memorandum and the transactions contemplated thereunder. Shareholders and investors of the Company are urged to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 28 December 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 Rules Governing the Listing of Securities on GEM of the Stock Exchange 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.