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Unless otherwise defined, terms used in this announcement shall have the same meanings as those defined in the prospectus dated 30 September 2016 (the “**Prospectus**”) issued by Allied Sustainability and Environmental Consultants Group Limited (the “**Company**”).

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. Potential investors should read the Prospectus carefully for detailed information about the Placing described below before deciding whether or not to invest in the Placing Shares thereby being offered.

Prospective investors of the Placing Shares should note that the Sole Bookrunner may in its absolute discretion, terminate the Underwriting Agreement by notice in writing to the Company, upon the occurrence of any of the events set out in the section headed “Underwriting — Underwriting Arrangements and Expenses — Grounds for termination” in the Prospectus, at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date.



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)

LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF PLACING

Number of Placing Shares : 204,000,000 Shares
Placing Price : HK\$0.28 per Placing Share plus brokerage
fee of 1.0%, SFC transaction levy of
0.0027% and Stock Exchange trading fee
of 0.005% (payable in full on application
subject to refund on final pricing)
Nominal Value : HK\$0.01 per Share
Stock Code : 8320

Sole Sponsor



國泰君安國際
GUOTAI JUNAN INTERNATIONAL

Guotai Junan Capital Limited

Sole Bookrunner and Sole Lead Manager



國泰君安國際
GUOTAI JUNAN INTERNATIONAL

Guotai Junan Securities (Hong Kong) Limited

Co-Lead Manager



KOALA Securities Limited

樹熊證券有限公司

Koala Securities Limited

SUMMARY

The Placing Price has been determined at HK\$0.28 per Placing Share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

Based on the Placing Price of HK\$0.28 per Placing Share, the net proceeds from the Placing Share to be received by the Company, after deducting the underwriting commissions, the SFC transaction levy, the Stock Exchange trading fee and other estimated expenses payable by the Company in the Placing, is estimated to be approximately HK\$33.7 million.

Applications pursuant to the Placing for a total of 556,918,571 Shares were received, representing approximately 2.73 times of the total number of 204,000,000 Placing Shares available for subscription under the Placing.

The Placing Shares initially offered under the Placing have been moderately oversubscribed.

Pursuant to the Placing, 204,000,000 Placing Shares (representing 17.0% of the enlarged issued share capital of the Company immediately after completion of the Placing and the Capitalisation Issue) have been conditionally allocated to a total of 137 selected professional, institutional and other investors in Hong Kong.

A total of 6 placees have been allotted 800 board lots of Shares, representing approximately 23.5% of the total number of Placing Shares under the Placing.

The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing and their respective ultimate beneficial owners are independent of and not connected with the Company and any of the Directors, Controlling Shareholders or substantial shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries and their respective close associates (as defined under the GEM Listing Rules), and are not any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing, and none of the Shares subscribed by the placees has been financed directly or indirectly by a Director, Controlling Shareholder, substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them, and none of the placees is accustomed to taking instructions from a Director, Controlling Shareholder, substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it. No placee individually, has been or will be placed with more than 10% of the total number of issued Shares immediately after completion of the Capitalisation Issue and the Placing. The Directors confirm that there will not be any new substantial shareholder of the Company (within the definition of the GEM Listing Rules) immediately after completion of the Capitalisation Issue and the Placing.

The Directors confirm that, immediately after completion of the Capitalisation Issue and the Placing, the Company will comply with the public float requirements under Rule 11.23(7) and Rule 11.23(8) of the GEM Listing Rules that the public float of the Company will be 30.03% of the total number of issued Shares and not more than 50% of the total number of issued Shares in public hands at the time of the Listing will be beneficially owned by the three largest public Shareholders.

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Monday, 17 October 2016. Shares will be traded in board lots of 10,000 Shares each. The stock code for the Share is 8320.

Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

PLACING PRICE AND USE OF NET PROCEEDS

The Placing Price has been determined at HK\$0.28 per Placing Share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%). Based on the Placing Price of HK\$0.28 per Placing Share, the net proceeds from the Placing to be received by the Company, after deduction of underwriting fees and commissions and estimated total listing expenses paid/payable by the Company in connection with the Placing, are estimated to be approximately HK\$33.7 million. The Company intends to apply the net proceeds from the Placing for the following purposes:

- (a) approximately 40% or HK\$13.48 million, will be used for establishment of subsidiaries, co-operation with other third parties, and/or acquisition in order to expand to PRC market.
- (b) approximately 20% or HK\$6.74 million, will be applied for expansion through mergers and acquisitions of other market players in the environmental data collection/monitoring industry and ecology industry in Hong Kong.
- (c) approximately 20% or HK\$6.74 million, will be used for further expansion of the Group's business on ESG reporting and consultancy.

- (d) approximately 15% or HK\$5.06 million, will be used for expansion of our in-house project team.
- (e) the remaining amount of approximately 5% or HK\$1.68 million will be used to provide funding for the Group's working capital and other general corporate purposes.

LEVEL OF INDICATIONS OF INTERESTS UNDER THE PLACING

Applications pursuant to the Placing for a total of 556,918,571 Shares were received, representing approximately 2.73 times of the total number of 204,000,000 Placing Shares available for subscription under the Placing.

The Placing Shares initially offered under the Placing have been moderately oversubscribed. The final number of Placing Shares allocated to the placees under the Placing is 204,000,000 Shares, representing 100% of the total number of the Placing Shares under the Placing.

RESULTS OF ALLOCATIONS

Pursuant to the Placing, 204,000,000 Placing Shares (representing 17% of the enlarged issued share capital of the Company immediately after completion of the Placing and the Capitalisation Issue) have been conditionally allocated to a total of 137 selected professional, institutional and other investors in Hong Kong. A total of 52 placees have been allotted eight board lots of shares or less, representing approximately 37.96% of the total number of placees under the Placing. A total of 6 placees have been allotted to 800 board lots of Shares, representing approximately 23.5% of the total number of Placing Shares under the Placing. The distribution of the Placing Shares is set out below:

	Aggregate number of Placing Shares allocated	Aggregate percentage of Placing Shares allocated	Aggregate percentage of shareholding after completion of Capitalisation Issue and the Placing
Top placee	17,850,000	8.75%	1.49%
Top 5 placees	75,550,000	37.03%	6.30%
Top 10 placees	115,550,000	56.64%	9.63%
Top 25 placees	169,670,000	83.17%	14.14%

Number of Placing Shares allocated	Number of placees
10,000 to 1,000,000	104
1,000,001 to 2,000,000	14
2,000,001 to 3,000,000	1
3,000,001 to 4,000,000	4
4,000,001 to 5,000,000	2
5,000,001 to 6,000,000	Nil
6,000,001 to 7,000,000	1
7,000,001 to 8,000,000	6
8,000,001 to 9,000,000	Nil
9,000,001 to 10,000,000	1
10,000,001 and above	4
Total	137

The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing and their respective ultimate beneficial owners are independent of and not connected with the Company and any of the Directors, Controlling Shareholders, substantial shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries and their respective close associates (as defined under the GEM Listing Rules), and are not any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing. None of the Shares subscribed by the placees has been financed directly or indirectly by a Director, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them, and none of the placees is accustomed to taking instructions from a Director, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it. No placee, individually, has been or will be placed with more than 10% of the total number of issued Shares immediately after completion of the Capitalisation Issue and the Placing. The Directors confirm that there will not be any new substantial shareholder of the Company (within the definition of the GEM Listing Rules) immediately after the completion of the Capitalisation Issue and the Placing.

Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of at least 25% of its total number of issued Shares at the time of the Listing and at all times thereafter. Pursuant to Rule 11.23(8) of the GEM Listing Rules, not more than 50% of the total number of issued Shares in public hands at the time of the Listing shall be beneficially owned by the three largest public Shareholders. The Directors confirm that, immediately after completion of the Capitalisation Issue and the Placing, the Company will comply with the public float requirements under Rule 11.23(7) and (8) of the GEM Listing Rules that the public float of the Company will be 30.03% of the total number of issued Shares and not more than 50% of the total number of issued Shares in public hands at the time of the Listing will be beneficially owned by the three largest public Shareholders.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares in issue or to be issued as mentioned in the Prospectus on GEM and the compliance by the Company with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date (i.e. Monday, 17 October 2016) or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made for the Shares to be admitted into CCASS.

No receipt will be issued for any application monies paid. The Company will not issue any temporary documents of title.

The share certificates for the Placing Shares to be distributed via CCASS are expected to be deposited into CCASS on or before Friday, 14 October 2016 for credit to the relevant CCASS Participants' stock accounts or the relevant CCASS Investor Participants' stock accounts designated by the Sole Lead Manager (for itself and on behalf of the Underwriters), the placing agents, the Placees or their agents (as the case may be) based on their respective instructions.

Prospective investors of the Placing Shares should note that the Sole Lead Manager (for itself and on behalf of the Underwriters) is entitled to terminate the obligations of the Underwriters under the Underwriting Agreement by notice in writing to be given to the Company upon the occurrence of any of the events set out in the section headed “Underwriting — Underwriting Arrangements and Expenses — The Underwriting Agreement — Grounds for termination” in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date (i.e. Monday, 17 October 2016). In the event that the Underwriting Agreement is terminated, the Placing will lapse and thereafter, all money received will be refunded to applicants of the Placing without interests and the Stock Exchange will be notified immediately. Notice of the lapse of the Placing will be published by the Company on the website of the Stock Exchange at www.hkexnews.hk and the Company’s website at <http://www.asecg.com> on the next business day immediately following the date of such lapse.

All share certificates will only become valid certificates of title when the Placing has become unconditional in all respects and the Underwriting Agreement has not been terminated in accordance with its terms prior to 8:00 a.m. (Hong Kong time) on the Listing Date.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Monday, 17 October 2016.

If there is any change to the expected timetable, an announcement will be published immediately by the Company on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at <http://www.asecg.com>. Shares will be traded in board lots of 10,000 Shares each. The stock code for the Shares is 8320.

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

Hong Kong, 14 October 2016

As at the date of this announcement, the executive Director is Ms. Kwok May Han Grace, the non-executive Director is Mr. Wu Dennis Pak Kit, and the independent non-executive Directors are Mr. Lam Kin Che, Mr. Lie Kong Sang and Ms. Wong Yee Lin Elaine.

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, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at www.hkexnews.hk for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at www.asecg.com.