



[For Immediately Release]

31 July 2015



Baguio Green Group Limited

(Stock Code : 1397.HK)

**Baguio has signed a Memorandum of Understanding in Respect of
Biogas Multipurpose Utilization and Organic Fertilizer Recycling Projects
Delve into the PRC Market and Commit to Environmental Protection**

[31 July 2015 – Hong Kong] Baguio Green Group Limited ('Baguio' or 'the Group', Stock Code: 1397.HK) is pleased to announce that, on 30 July 2015, the Group entered into a non-legally binding memorandum of understanding ("MOU") with an individual third party (the "Cooperating Partner", and collectively with the Group as the "Parties") to jointly develop and co-invest six environmental protection projects in Shandong, Henan, Hebei and Guangdong provinces in the PRC. The Cooperating Partner is a limited liability company incorporated in the PRC principally engaged in investment and procurement of environmental protection projects, sale of biogas and natural gas, and natural gas and biogas generated electricity supply technology as well as the research and development of organic fertilizers and environmental protection equipment.

The Parties intended to generate electricity, biogas and natural gas, which was produced by decomposing the mixture of straw and manure collected from the large scale farms. The residues from the process will be used as organic fertilizer to grow animal feeds for the farms. The Group and the Cooperating Partner agreed that both parties shall not negotiate with any third parties on any business that may compete with the business contemplated under the MOU within the six-month period of due diligence exercise, and not less 3 months thereafter.

Mr. Ben Ng, the Chairman of Baguio, said, 'As a leading integrated environmental service provider in Hong Kong, we have extensive experience in the aspects of resource recycling and environmental protection. Such collaboration is a further development in resource recycling based on our waste management business and fully complies with the Group's development blueprint. We foresee that there will be substantial increment in the demand for environmental services, along with the raising awareness of environmental protection in the PRC. Striving for a considerable market share in the PRC, we hope this cooperation will lay a foundation for our forthcoming business development.'

- End -



About Baguio Green Group Limited

Baguio Green Group Limited is a leading integrated environmental service provider in Hong Kong who owned the largest market share in 2013. The Group's services include professional cleaning, integrated pest management, horticulture & landscaping, waste management, collection & recycling. In the forthcoming future, Baguio will devote in expanding its business to downstream waste disposal, waste sorting and recycling services.

Baguio Green Group Limited was listed on the Main Board of the Hong Kong Stock Exchange on 22 May 2014; Stock code: 1397.HK.

This press release is issued by DLK Advisory Limited on behalf of Baguio Green Group Limited.

For enquiries, please contact:



DLK Advisory 金通策略

Michelle Shi (michelleshi@dlkadvisory.com)

Skye Shum (skyeshum@dlkadvisory.com)

Tel : +852 2857 7101

Fax : +852 2857 7103