



CK ASSET HOLDINGS LIMITED



CK HUTCHISON HOLDINGS LIMITED

CK Asset and CK Hutchison Jointly Enter the New Regenerative Agriculture Sector

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- CK Asset Holdings Limited (“CK Asset”) and CK Hutchison Holdings Limited (“CK Hutchison”) through CK Life Sciences Int’l., (Holdings) Inc. (“CK Life Sciences”), a member of CK Hutchison, jointly called “the CK Group”, have joined hands to enter into the regenerative agriculture sector.
- One of the problems that affect the entire world is the emission of greenhouse gases that causes global warming and climate change. Under the UNFCCC (United Nations Framework Convention on Climate Change), many countries have pledged to achieve net zero emissions by 2050. To achieve such a goal, public and private sectors around the world are looking for ways not only to reduce carbon emissions, but also to increase carbon sequestration (such as by capturing atmospheric carbon dioxide and storing it in trees and soil).
- The CK Group’s regenerative agriculture initiatives focus on investing in carbon sequestration projects that store carbon.
- One of the markets which is relatively mature in this aspect is Australia. Australia’s carbon market, which offers high-quality carbon sequestration projects, operates under a well-established regulatory system, and has a growing market for carbon credits.

Carbon Sequestration Land About 3.5 times Hong Kong Land Size

- “The CK Group is excited about entering into regenerative agriculture as one of the initial players in this new industry. Pastoral leases and rights of over 350,000 hectares of agricultural land (around 3.5 times the size of the total land area of Hong Kong) designated for carbon sequestration in Australia have been acquired by the CK Group,” said Mr H L Kam, Deputy Managing Director of CK Asset and CK Hutchison, as well as President of CK Life Sciences.

- In Australia, carbon sequestration projects are registered and approved by the Australian Government’s Clean Energy Regulator for earning Australian Carbon Credit Units (ACCUs). The Australian Carbon Credit Unit (ACCU) Scheme encourages individuals and businesses to run projects that reduce emissions or store carbon.

- “The CK Group’s regenerative agriculture portfolio currently adopts the Human-Induced-Regeneration (HIR) method to store carbon. HIR, one of the methods approved by the Clean Energy Regulator, utilizes land management practices such as controlled grazing to regenerate native vegetation and forests, and helps native vegetation species regrow in their natural range where they were previously suppressed. The current CK Group’s regenerative agriculture portfolio is projected to sequester approximately 1 million tonnes of carbon dioxide equivalent in total,” commented Mr Alan Yu, Deputy Chairman and Executive Director of CK Life Sciences.

- Under the ACCU Scheme, each tonne of carbon dioxide equivalent avoided or sequestered by a project earns one ACCU. Such ACCUs can be sold under Carbon Abatement Contracts to the Australian Government, which has already spent over AUD\$1 billion to buy ACCUs, as well as to the private sector to voluntarily offset their carbon footprint or to meet emissions reduction obligations set forth by the Australian Government.

- “We hope that through these regenerative agriculture schemes, we will make our contributions towards carbon reduction. Such initiatives will help combat the carbon problem that our world faces. Going forward, more high-quality regenerative agriculture projects will be pursued,” said Mr Kam.

- The CK Group’s regenerative agriculture initiatives are managed by CK Life Sciences.

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