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**CHANGE OF CHAIRMAN OF THE BOARD  
CHANGE OF CHIEF EXECUTIVE OFFICER AND  
CHANGE OF COMPOSITION OF BOARD COMMITTEES**

The Board announces that with effect from 17 July 2017:

- (i) Mr. Tu Jianhua has tendered his resignation as the Chairman of the Board and the Chairman of each of the Nomination Committee, the Executive Committee and the Strategy and Investment Committee of the Company, but remains as an Executive Director of the Company, as well as a member of each of the Executive committee and the Strategy and Investment Committee of the Company;
- (ii) Mr. Qin Yongming has tendered his resignation as the Chief Executive Officer of the Company and has been re-designated as the Chairman of the Board and the Chairman of each of the Executive Committee and the Strategy and Investment Committee of the Company and has been appointed as the Chairman of the Nomination Committee of the Company; and
- (iii) Mr. Zhu Patrick Xiangdong has tendered his resignation as the Vice President and Chief Operation Officer of the Company and has been re-designated as the Chief Executive Officer of the Company.

## **RESIGNATION OF CHAIRMAN OF THE BOARD**

The board (the “**Board**”) of directors (the “**Directors**”) of Chiho Environmental Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that, as Mr. Tu Jianhua (“**Mr. Tu**”) was appointed as the President of Chongqing City Industry and Commerce Federation (General Chamber) on 7 July 2017, and provided that with the integration, the tremendous effort and hard work of the Group over the past two years, the principal business of the Group has been running on the right track and a professional and dedicated management team which has the same core value with the Group has been hired and formed to effectively manage and plan the business development of the Group, Mr. Tu has tendered his resignation as the Chairman of the Board of the Company under such good circumstances, but remains as an Executive Director, due to his intention to devote more time for his commitments at the abovementioned position, with effect from 17 July 2017. We believe that the appointment as the President of Chongqing City Industry and Commerce Federation (General Chamber) of Mr. Tu is contributive to the further domestic development of the Group.

In the future, Mr. Tu will devote more time and energy in assisting the development of non-public economic enterprises in Chongqing, striving for the best to act as a communication bridge between enterprises and the government, form a platform of cooperation and mutual benefits with other private enterprises and to integrate the advantages of the non-public economic enterprises in Chongqing. He expects to import and integrate all the advanced technology and resources in every sector of the country or even of the whole world for improving the internationalization level of private enterprises in Chongqing. The integration of domestic and foreign advanced enterprises is further enhanced by the influence of the non-public economic enterprises in Chongqing, gathering the wisdom and strength of Chongqing domestic and overseas enterprises and guiding the industry to an international advanced level to further contribute the economic development of Chongqing.

Last but not least, Mr. Tu expresses gratitude to the whole Group for the support and understanding, and expects to continue attracting more talents for advising the Group in relation to the environmental protection in the future development. Mr. Tu firmly believes that the Group will be able to achieve more brilliant results under the leadership of the excellent management team.

## **RE-DESIGNATION OF CHAIRMAN OF THE BOARD**

Mr. Qin Yongming (“**Mr. Qin**”) has tendered his resignation as the Chief Executive Officer of the Company and has been re-designated as the Chairman of the Board of the Company with effect from 17 July 2017.

Mr. Qin, aged 54, joined the Group on 1 June 2016 as Executive Vice President, and was appointed as an Executive Director of the Company on 30 June 2016. He was re-designated to Chief Executive Officer of the Company on 24 October 2016. Mr. Qin is also a member of each of the Executive Committee, the Pricing Committee, the Strategy and Investment

Committee of the Company and the director of certain subsidiaries of the Company. From 2004 to 2016, Mr. Qin worked with LafargeHolcim group and his last position with LafargeHolcim group was the purchasing director of the China region, with a particular focus on raw materials and cementitious materials. Mr. Qin served as the head of the purchasing department of Tianjin Henkel Detergent Co. Ltd. from 1996 to 1999 and the finance director of Tianjin Philips Sy Catering and Entertainment Co., Ltd. from 1994 to 1996. Mr. Qin has extensive experience in corporate operation management, process and budget control, strategic materials procurement and supplier management. Mr. Qin holds a bachelor degree of Finance and Accounting from Renmin University of China and a Master of Business Administration from the University of Southampton.

Save as disclosed above, Mr. Qin does not hold any positions in the Company or any other members of the Group, nor has he held any directorship in any other listed public company in the last three years preceding the date of his re-designation. Mr. Qin does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) of the Company and other members of the Group, nor does he have any interests (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) in the shares of the Company as at the date of this announcement.

Mr. Qin will enter into a supplemental appointment letter with the Company in relation to his re-designation as the Chairman of the Board of the Company with effect from 17 July 2017. Pursuant to the supplemental appointment letter, the annual salary for Mr. Qin as the Chairman of the Board of the Company and an Executive Director of the Company will be HK\$2,800,000 which is determined with reference to his duties and responsibilities in the Company, qualifications, experience, the prevailing market conditions and the Company's remuneration policy, subject to the approval of the Board.

Save as disclosed in this announcement, the Board is not aware of any other matters that need to be brought to the attention of the shareholders of the Company and there is no other information required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in relation to the re-designation of Mr. Qin.

## **RE-DESIGNATION OF CHIEF EXECUTIVE OFFICER**

Mr. Zhu Patrick Xiangdong (“**Mr. Zhu**”) has tendered his resignation as the Vice President and Chief Operation Officer of the Company and has been re-designated as the Chief Executive Officer of the Company with effect from 17 July 2017.

Mr. Zhu, aged 50, joined the Group and served as the Chief Operation Officer of the Company on 1 June 2015. He was re-designated as the Vice President and the Chief Operation Officer of the Company on 1 April 2016. Mr. Zhu was appointed as an Executive Director of the Company on 7 April 2017. He also serves as a member of each of the Executive Committee and the Strategy and Investment Committee and the Chairman of the Pricing committee. Mr. Zhu also serves as the director of certain subsidiaries and an associate company of the Group. Mr. Zhu has over 28 years of extensive experience in the field of international trading such as renewable resources and commodities. Before joining the Group, he was manager of Hong Kong Gang Ao International (Holdings) Company Limited, general manager of Ningbo Tianshun Metal Processing Co., Ltd., and general manager of Ningbo Three Sources Trade Development Co., Ltd. Mr. Zhu graduated from University of International Business and Economics in 1989, and obtained a Bachelor degree in Economics, majoring in International Trade. He also graduated from The University of Auckland in New Zealand and Institute of Studies in St Helens New Zealand and obtained Master of Commerce in May 2001 and Master of Business Administration in August 2001, respectively.

Save as disclosed above, Mr. Zhu does not hold any positions in the Company or any other members of the Group, nor has he held any directorship in any other listed public company in the last three years preceding the date of his re-designation. Mr. Zhu does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company and other members of the Group. Mr. Zhu holds 330,000 shares of the Company, representing approximately 0.02% of the existing issued capital of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) as at the date of this announcement.

Mr. Zhu will enter into a supplemental appointment letter with the Company in relation to his re-designation as the Chief Executive Officer of the Company. Pursuant to the supplemental appointment letter, the annual salary for Mr. Zhu as an Executive Director and Chief Executive Officer of the Company will be HK\$2,400,000 which is determined with reference to his duties and responsibilities in the Company, qualifications, experience, the prevailing market conditions and the Company's remuneration policy, subject to the approval of the Board. His initial current term of office is for a period of 3 years commencing from 17 July 2017.

Save as disclosed in this announcement, the Board is not aware of any other matters that need to be brought to the attention of the shareholders of the Company and there is no other information required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in relation to the re-designation of Mr. Zhu.

## CHANGE OF COMPOSITION OF BOARD COMMITTEES

Mr. Tu has tendered his resignation as the Chairman of each of the Nomination Committee, the Executive Committee and the Strategy and Investment Committee of the Company, but remains as a member of each of the Executive Committee and the Strategy and Investment Committee of the Company, and Mr. Qin has been re-designated as the Chairman of each of the Executive Committee and the Strategy and Investment Committee of the Company and has been appointed as the Chairman of the Nomination Committee of the Company with effect from 17 July 2017.

By Order of the Board  
**Chiho Environmental Group Limited**  
**Qin Yongming**  
*Chairman*

Hong Kong, 17 July 2017

*As at the date of this announcement, the Board of the Company comprises:*

*Executive Directors:*

Tu Jianhua, Qin Yongming,  
Zhu Patrick Xiangdong

*Independent Non-executive Directors:*

Loke Yu, Zhu Dajian, Qian Liping