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(Incorporated in the Cayman Islands with limited liability)

CHIHOO ENVIRONMENTAL GROUP LIMITED

(Stock Code: 976.HK)

Chiho ECO Protection Limited (“Chiho ECO”), a wholly owned subsidiary of Chiho Environmental Group (“Chiho Group”), was awarded the “Outstanding Contribution to Resource Recycling”

On November 16, Chiho ECO Protection Limited (“Chiho ECO”), a wholly owned subsidiary of Chiho Environmental Group (“Chiho Group”) in Hong Kong, was awarded the “Outstanding Contribution to Resource Recycling” by the “Hong Kong Economic Times” for its excellent contribution and performance in environmental, social and governance (“ESG”) matters. Meanwhile, the Hong Kong Economic Times interviewed Chiho Group on relevant topics.



Carbon emission reduction for environmental protection has become a global consensus. China, with the highest carbon emissions in the world, has been proactively taking part in global carbon reduction in recent years. Environmental protection industry comes under spotlight after President Xi Jinping announced the carbon

neutrality targets this year. Chiho Group is one of the largest publicly listed global scrap metal recycling companies with extensive operations in the recycling of ferrous and non-ferrous metals scraps, end-of-life vehicles, powered battery and electronic scraps and the production of secondary aluminum ingots from aluminum scraps.

Project progress of Chiho group in China

Scholz Group, a wholly owned subsidiary group of Chiho Group, has been actively expanding its footprint in China since 2020. Scholz Group has cooperated with Hongqiao Group, the biggest aluminum producer in China, to jointly develop a world-class metal recycling industry park in China, with an estimated investment of up to RMB 1.5 billion. In May 2021, the ground-breaking and foundation laydown work has been completed. In November 2021, Chiho Group further announced that it will invest RMB 243 million in Taizhou, Zhejiang province with its subsidiary Scholz Group, to build a new intelligent facility for recycling of end-of-life vehicles and electric vehicles batteries. It is the second largest project of Scholz group after entering the China market. Chiho Group is committed to enhance the circular economy model for recycling of end-of-life vehicles, and to foster China's green circular economy.

Originated from Hong Kong, aiming to foster the development of the local recycling industry

Chiho Group was incorporated in 2008 and became a listed company on the main board of the Hong Kong Stock Exchange in 2010. It subsequently acquired German metal recycler Scholz Holding GmbH and American metal recycler Liberty Iron & Metal, LLC, spreading its footprint across Asia, Europe, and North America. Its sales and operation network covers Mainland China, Hong Kong, India, Thailand, Malaysia, Germany, Poland, Austria, Czech Republic, Romania, Slovenia, the United States and Mexico.

Chiho ECO Protection Limited ("Chiho ECO"), a wholly owned subsidiary of Chiho Group, is a well-known large-scale scrap metal recycler in Hong Kong. It mainly recycles scrap iron, scrap copper and scrap aluminum. Scrap metals processed by Chiho ECO are shipped to Mainland China to turn into recycled iron, recycled copper and recycled aluminum for domestic sales to industrial buyers. Lei Yongxiong (Samson), the General Manager of Chiho ECO, said that Chiho ECO, together with its fellow subsidiaries under the Chiho Group, operates 240 recycling yards or processing facilities around the world, recycling about 4.8 million tons of scrap metal each year. It collects, processes, purifies and refines non-ferrous and ferrous scrap metals, end-of-life vehicles, electronic waste, and scrap lubricants, and turns them into recycled iron, recycled aluminum and recycled copper, which will then be sold to factories or other industrial buyers as industrial materials for further production. Currently, Chiho ECO imports scrap metals from Europe, processes them up to the China's import standards locally, and then ships the processed scrap metals to Chiho Group's facilities in China for further processing. At present, the prices of copper and aluminum are at high level due to tight supply. Therefore, the demand of recycled copper and aluminum is on the rise. Chiho ECO is a registered member of the "Green in the District" project which is operated by the Environmental Protection Department for recycling of non-regulated electrical appliances, including rice cookers, hot water boilers and other small household appliances. With our automated processing lines, we dismantle, crush and sort those end-of-life small household appliances into different types of scrap metals which will then be sold to downstream local recyclers for further processing. Since 1999, Chiho ECO has been providing the collection,

dismantling, and recycling services for non-regulated electrical appliances under the "Green in the District" project which is oversight by the Environmental Protection Department. So far, we have collected and processed over 1,000 tons of end-of-life electrical appliances under the "Green in the District" project, making contributions to the local recycling and helping to reduce the burden on local landfills.

Article source: "Hong Kong Economic Times"

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