

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHIHO ENVIRONMENTAL GROUP LIMITED

齊合環保集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 976)

INSIDE INFORMATION CHANGE IN SHAREHOLDING STRUCTURE OF CONTROLLING SHAREHOLDER

This announcement is made by Chiho Environmental Group Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company has been informed by Loncin Group Co., Limited (“**Loncin Group**”) (which is being held by Mr. Tu Jianhua (“**Mr. Tu**”), the executive director of the Company, as to 98% and being the holder of 98% of Loncin Holdings Company Limited’s (“**Loncin Holdings**”) equity interests, a holder of 45.956% equity interests in USUM Investment Group Limited, which in turn holds 100% of USUM Investment Group Hong Kong Limited (“**USUMHK**”), which is a holder of 62.85% of the Company’s issued share capital), that on 2 April 2019 (after trading hours) after arm’s length negotiation, Loncin Group entered into a strategic framework agreement with Baohua United Capital Management Limited* (“**Baohua United**”) pursuant to which Loncin Group intended to transfer 49% of its shareholding in Loncin Holdings to Baohua United (the “**Transfer**”).

Immediately after the Transfer, Loncin Group, Baohua United and Mr. Tu will hold 49%, 49% and 2% of the equity interests in Loncin Holdings, respectively. There is no change in the shareholding of USUMHK in the Company.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

* *for identification purpose only*

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

Hong Kong, 3 April 2019

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

Executive Directors: Qin Yongming (*Chairman and Chief Executive Officer*)
 Tu Jianhua
 Wong Wun Lam (*Chief Financial Officer*)

Independent Non-executive Loke Yu
Directors: Qian Liping
 Zhu Hongchao