
For Immediate Release

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(Incorporated in the Cayman Islands with limited liability)

CHIHO ENVIRONMENTAL GROUP LIMITED

(Stock Code: 976.HK)

Joint Venture in Thailand with Hidaka Yookoo Enterprises and Suzuki Shokai

[November 22, 2019 – Hong Kong] Chiho Environmental Group (“CEG”) is pleased to announce that, on November 5th, 2019, it has established a Joint Venture (the “JV”), namely Hidaka- Chiho Metal Recycling (Thailand) Co., Ltd. (“HCMR”), with Hidaka Yookoo Enterprises Co. Limited (“HDK”), a leading scrap ferrous metal recycler in Thailand; and Suzuki Shokai Co. Limited (“SZK”), a leading resources recycling company in Japan, and a long term business partner of CEG; engaged in the business of metal recycling with primary focus in motor dismantling in Thailand.

Speeches by the representatives of the three joint venture parties:

“HDK has a history of more than 90 years. It is the first time in our long history, to establish a JV with parties from Thailand, Japan and Hong Kong. The JV will combine the strength of the three JV partners and integrate the experience and technology of the three companies into a common goal. With the efforts to achieve maximum results, the HCMR factory, as a Thai company, will fully comply with national laws and regulations and aim to become an industry leader.”

- Mr. Yasuo Atitruangsiri, President of HDK

“China's ban on imports of mixed metal scrap has become a topic of the world. Japan and Hokkaido have been greatly affected. Instead of a passive wait-and-see approach to this issue, we proactively establish JV together with the representative companies of the other two countries to jointly solve the global environmental problem that has become a world issue, and thus respond to the environmental changes of resources. I hope that for the future of Japan and Hokkaido, there is a better living environment, and this is a big step across the border.”

- Mr. Tsukasa Komatani, President of SZK

“In recent years, the great changes in waste and renewable resources in various countries have put CEG in an advantageous position as the recycler of scrap motor resources in Europe, America and Asia, and the ability to influence the countries in the renewable resources industry. It is a great pleasure

to jointly establish JV with HDK and SZK. It is hoped that JV companies across the three countries will become the pioneer in the industry and contribute to the betterment of the world.”

- Mr. Yongming Qin, Chairman of CEG

Introduction of the JV partners:

HDK commenced its business in Thailand with a history of over 90 years, HDK is now the largest steel raw material manufacturer in Thailand. HDK make continuous efforts to innovate resource recycling technology and advance their business into a comprehensive integrated recycling company in Thailand.

SZK is a company incorporated in Japan and is principally engaged in recycle business, including aluminum scrap, steel scrap, plastic, home appliances and end-of-life vehicles, for over 65 years in Japan. They are also one of the biggest recyclers in Hokkaido, Japan.

CEG, being one of the largest listed metal recycling companies globally, has extensive operations across Asia, Europe and North America. Since Thailand is a newly industrialized market economy, which is a growing market for aluminium and ferrous products, the JV with HDK and SZK will bring mutual benefit but further strengthen CEG’s presence in Southeast Asia with a greater access to the Thailand market and securing a market leading position.

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