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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)

- (1) APPOINTMENT OF EXECUTIVE DIRECTOR
AND CHIEF EXECUTIVE OFFICER;
(2) RESIGNATION OF CHIEF EXECUTIVE OFFICER; AND
(3) APPOINTMENT OF A MEMBER EACH OF
EXECUTIVE COMMITTEE, PRICING
COMMITTEE AND STRATEGY AND
INVESTMENT COMMITTEE**

The Board announces that with effect from 1 March 2020:

- (1) Mr. Rafael Heinrich Suchan will be appointed as Executive Director and Chief Executive Officer of the Company;
- (2) Mr. Qin Yongming has tendered his resignation as Chief Executive Officer of the Company, and will remain as an executive Director of the Company and chairman of the Board; and
- (3) Mr. Rafael Heinrich Suchan will be appointed as a member each of Executive Committee, Pricing Committee and Strategy and Investment Committee of the Company.

APPOINTMENT OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

The board (the “**Board**”) of directors (the “**Directors**”) of Chiho Environmental Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that Mr. Rafael Heinrich Suchan (“**Mr. Suchan**”) will be appointed as an Executive Director and the Chief Executive Officer (the “**CEO**”) of the Company with effect from 1 March 2020.

The biographical details of Mr. Suchan are as follows: –

Mr. Suchan, aged 38, graduated with a Bachelor’s degree (Diplom-Kaufmann) in Business Administration and Economics from the University of Applied Sciences in Essen, Germany in 2005. He further holds a Master of Business Administration degree from Nanyang Technological University in Singapore and from Tsinghua University in Beijing, China respectively. Mr. Suchan started his career at the German pharmaceutical and chemical company Bayer AG as a management trainee in 2002 where he worked across various marketing and finance functions in Germany and Poland. In 2006, he joined specialty chemicals company Lanxess as a Strategy Consultant working in Germany, Canada and China. From there he moved to become Head of Corporate Development based in Shanghai at Lanxess Greater China in 2008. In 2010, Mr. Suchan joined Lanxess’ Inorganic Pigments business unit as Commercial Director for Asia Pacific and in 2012, he took over responsibility as Vice President for Global Product Management. In 2014, Mr. Suchan was additionally appointed as Vice President for all operations of the Inorganic Pigments business unit in the Asia Pacific region which also included the responsibility as Managing Director for Lanxess’ three Inorganic Pigments production sites in Shanghai and Ningbo, China. Since April 2017, Mr. Suchan had been globally responsible for identifying and implementing digital solutions which can be used along the whole chemical value chain within Lanxess’ Digital Transformation activities. In addition, Mr. Suchan was also the Chief Digital Officer at Lanxess in Asia-Pacific coordinating Digital Transformation efforts in the region. Mr. Suchan is married and has three children.

The Company has entered into an appointment letter with Mr. Suchan, pursuant to which he will be appointed as an Executive Director and CEO and is entitled to a salary of HK\$6,288,000 per annum. Such remuneration has been determined and approved by the Board and the Remuneration Committee of the Company with reference to his duties and responsibilities with the Company, background, qualifications and experience, and the market rate of his position as Executive Director and CEO. His initial current term of office is for a period of three years commencing from 1 March 2020, which is automatically renewable for a successive term of one year upon the expiry of the said term, unless not less than three months’ written notice is served by Mr. Suchan. Mr. Suchan’s appointment shall remain effective until the next general meeting of the Company after his appointment, where he shall be eligible for re-election, and thereafter subject to retirement by rotation at least once every three years and is eligible for re-election at each annual general meeting of the Company in accordance with the Company’s Articles of Association.

As at the date of this announcement, Mr. Suchan does not have any relationship with any Director, 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 “**Stock Exchange**”) (the “**Listing Rules**”)) of the Company and other members of the Group, nor does he have any interests in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)).

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) of the Listing Rules in relation to the appointment of Mr. Suchan as an Executive Director and the CEO.

RESIGNATION OF CHIEF EXECUTIVE OFFICER

The Board further announces that Mr. Qin Yongming (“**Mr. Qin**”) has tendered his resignation as the CEO of the Company with effect from 1 March 2020 to focus on his other roles in the Group. Mr. Qin will remain as an executive Director of the Company and chairman of the Board.

The change of the chief executive officer will also allow the Company to better comply with the requirement under Code Provision A.2.1 as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules, pursuant to which the roles of chairman and chief executive officer should be separate and not be performed by the same individual.

Mr. Qin has also confirmed that he has no disagreement with the Board and that there are no other matters in relation to his resignation from the role of CEO that should be brought to the attention of the Stock Exchange and the shareholders of the Company.

APPOINTMENT OF A MEMBER EACH OF EXECUTIVE COMMITTEE, PRICING COMMITTEE AND STRATEGY AND INVESTMENT COMMITTEE

The Board further announces that Mr. Suchan will be appointed as a member of each of the Executive Committee, the Pricing Committee and the Strategy And Investment Committee with effect from 1 March 2020.

The Board would like to express its sincere gratitude to Mr. Qin for his invaluable contributions towards the Company during his tenure of office as the CEO and take this opportunity to warmly welcome Mr. Suchan to his new roles as an Executive Director and the CEO of the Company.

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

Hong Kong, 4 February 2020

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

Executive Directors: Qin Yongming (*Chairman and Chief Executive Officer*)
Tu Jianhua

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