

May 11, 2021



(Incorporated in the Cayman Islands with limited liability)

CHIHO ENVIRONMENTAL GROUP LIMITED

(Stock Code: 976.HK)

Groundbreaking for Recycling Park

A new highland for the world's high-end recycling industry

On 11 May 2021, Chiho's Joint Venture with China's biggest aluminum producer Hongqiao, celebrated the groundbreaking ceremony in Binzhou, China. Hosted by the city mayor Hu Yun Jiang, also the Chief Executive Officer ("CEO") of Hongqiao, Zhang Bo, and regional politicians took part in the event.

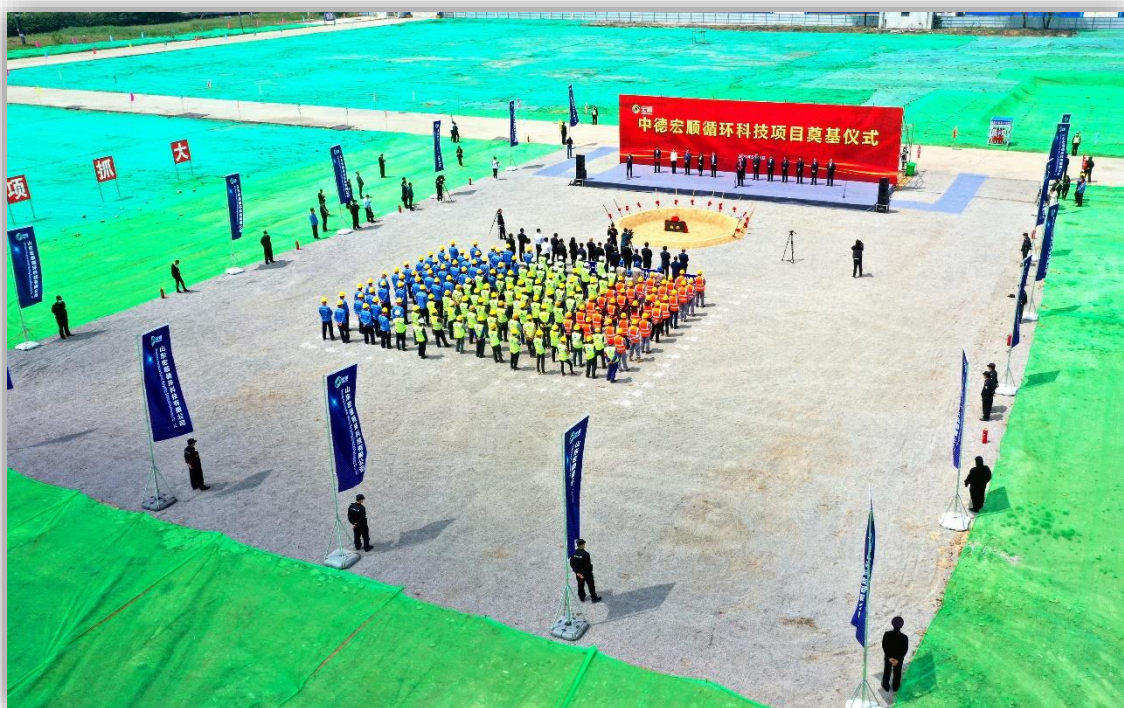


Attending as a Guest of Honor at the ceremony, Secretary of the Zouping Municipal Party Committee Pi Tai Tian emphasised that “this flagship project will, after the city has now approved the construction, significantly contribute to the further development of the circular economy and to the high-quality improvement of the aluminum production”.

In fact, the 190 million Euro recycling project, which is planned to process up to 40,000 end-of-life vehicles in its first phase by 2022, will save about 800,000 tons of carbon dioxide emissions per year. When the full operational capacity is reached, Chiho will also help Hongqiao to produce 500,000 tons of green aluminum and at the same time will save up to 1.9 million tons of CO2 emissions per year.

To be future-ready Rafael Suchan, CEO of Chiho, also announced a feasibility study to recycle 50,000 electric vehicles and their batteries at the new yard to be built. Therefore, Chiho plans to use its existing European and German research and development center to contribute in building these new capacities in China.

Chiho is also very eager to expand its services for its long-lasting European customer and supplier base, especially in the automotive sector, in the Chinese market. Thereby, “we follow the principles of the EU-China Comprehensive Agreement on Investment”, Rafael Suchan says and looks highlights the potential: “Our project comprehensively supports the intended enhancement of the circular economy and sustainability development and therefore the new facility in the Shandong Province could develop to a showcase for Chinese and other international industrial player.”



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