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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)

INSIDE INFORMATION APPOINTMENT OF RECEIVERS OVER THE SHARES OF CERTAIN WHOLLY-OWNED SUBSIDIARIES OF THE COMPANY

This announcement is made by Chiho Environmental Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2), 13.19 and 13.25 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 in the Listing Rules) under part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated (i) 5 July 2018 in relation to, among other matters, a facility agreement (the “**Facility Agreement**”) entered into between the Company and certain independent third party institutions in relation to a syndicated term loan of up to US\$300,000,000; and (ii) 3 April 2024 in relation to the payment default of the Facility Agreement.

The liabilities and obligations of the Company under the Facility Agreement are secured by, among others, charges (the “**Share Charges**”) over the shares of certain wholly-owned subsidiaries of the Company, namely: (i) Chiho Renewable Development Limited (“**CRD**”), a limited company incorporated in Hong Kong; (ii) Chiho Renewable International Holding Limited (“**CRIH**”), a limited company incorporated in Hong Kong; and (iii) Chiho-Tiande Resources Limited (“**CTRL**”), a limited company incorporated in the British Virgin Islands.

As disclosed in the announcement of the Company dated 3 April 2024, the Company had defaulted on repayment of the outstanding loan balance amounted to US\$50,000,000 (equivalent to HK\$376.0 million) which constituted an event of default under the Facility Agreement.

On 14 May 2025, the Group received notices from FTI Consulting attaching purported deeds of appointment of receivers pursuant to which, among others, that joint and several receivers and managers were purportedly appointed in respect of the charged shares in CRD, CRIH and CTRL under the Share Charges.

The Company considers that the purported appointment of receivers to be ineffective on the grounds, among others, that such appointment was defective and ineffective and otherwise liable to be set aside. The Company intends to strenuously protect its interests and the interests of its shareholders,

creditors and other stakeholders. Legal advice is being sought and the Company expects that, unless the purported appointment is withdrawn, legal proceedings will be instituted.

The Company is assessing the legal, financial and operational impacts of the above-mentioned actions and the appointment of the receivers over these subsidiaries of the Company. The Board will closely monitor the development of the abovementioned matters and will further announcement as and when appropriate pursuant to the Listing Rules.

Continued suspension of trading

At the request of the Company, the trading in the Shares of the Company has been suspended from 9:00 a.m. on 1 April 2025 and will remain suspended until further notice.

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

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

Hong Kong, 20 May 2025

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

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| <i>Executive Directors:</i> | Mr. Tu Jianhua |
| | Mr. Qin Yongming (<i>Chairman</i>) |
| | Mr. Yao Jietian |
| | Mr. Liu Yongxin |

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| <i>Independent Non-Executive Directors:</i> | Prof. Li Zhiguo |
| | Mr. Szeto Yuk Ting |
| | Ms. Leung Pui Yee |