THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Chiho Environmental Group Limited, you should at once hand this circular with the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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)

PROPOSAL FOR GENERAL MANDATE TO ISSUE SHARES AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Capitalised terms used in this circular shall have the meaning as set out in the section headed "Definitions" of this circular.

A notice convening the Extraordinary General Meeting of Chiho Environmental Group Limited to be held at Units 5906-5912, 59th Floor, The Center, 99 Queen's Road Central, Hong Kong on Wednesday, 23 September 2026 at 2:30 p.m. is set out on pages 7 to 10 of this circular. A proxy form for your use at the Extraordinary General Meeting is enclosed with this circular. Whether or not you intend to attend the Extraordinary General Meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Extraordinary General Meeting (i.e. at or before 2:30 p.m. on Monday, 21 September 2026 (Hong Kong time)) or any adjournment thereof. Completion and return of the proxy form shall not preclude you from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof should you so wish.

References to time and dates in this circular are to Hong Kong time and dates.

2 September 2026

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In this circular, the following expressions have the following meanings unless the context requires otherwise:

"Articles of Association"	the articles of association of the Company as amended, supplemented or modified from time to time
"Board"	the board of Directors
"Company"	Chiho Environmental Group Limited, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
"Director(s)"	the directors of the Company
"Extraordinary General Meeting" or "EGM"	the Extraordinary General Meeting of the Company to be held at Units 5906-5912, 59th Floor, The Center, 99 Queen's Road Central, Hong Kong on Wednesday, 23 September 2026 at 2:30 p.m.
"General Mandate"	The new general mandate proposed to be sought at the EGM to authorise the Directors to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company (excluding Treasury Shares, if any) as at the date of passing of the relevant resolution at the EGM
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Latest Practicable Date"	28 August 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

"PRC"	the People's Republic of China which, for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region of the People's Republic of China and Taiwan
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	registered holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

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)

Executive Directors:
Mr. Fu Tao *(Chairman)*
Mr. Chu Yuejiang
Mr. Yao Xiang
Mr. Yang Wei
Ms. Zhou Shuli

Independent Non-Executive Directors:
Mr. Ng Man Fung Walter
Ms. Wu Jian
Mr. Choi Wai Hong Clifford

Registered Office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Principal Place of Business in Hong Kong:
48 Wang Lok Street
Yuen Long Industrial Estate
Hong Kong

2 September 2026

To the Shareholders,

Dear Sir or Madam,

PROPOSAL FOR GENERAL MANDATE TO ISSUE SHARES AND NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Extraordinary General Meeting to be held on 23 September 2026, relating to the granting of general mandate to the Directors for the issue of Shares.

PROPOSED GRANT OF GENERAL MANDATE

On 27 June 2024, the Shareholders passed an ordinary resolution to give a general mandate to the Directors to exercise the powers of the Company to allot, issue and deal with securities of the Company up to 20% of the total number of issued shares of the Company as at that date.

The Company's previous general mandate as granted on 27 June 2024 lapsed upon the expiration of the period within which the next annual general meeting of the Company is required to be held. The Company has not refreshed the previous general mandate since the last annual general meeting held on 27 June 2024.

The Board proposes to convene an Extraordinary General Meeting at which an ordinary resolution will be proposed to Shareholders that the Directors be granted the General Mandate to allot and issue Shares not exceeding 20% of the Company's issued share capital (excluding treasury shares, if any) at the date of passing the relevant resolution at the Extraordinary General Meeting. The currently proposed General Mandate will last until whichever is the earliest of:

(1) The conclusion of the next annual general meeting of the Company;

(2) The expiration of the period within which the next annual general meeting is required by any applicable laws or the Articles of Association; or

(3) The revocation or variation of the authority given to the Directors by passing an ordinary resolution by the Shareholders at a general meeting.

REASONS FOR THE GRANT OF GENERAL MANDATE

The Company is principally engaged in the business of metal recycling and environmental services. Historically, the Group was one of the world's largest publicly listed metal recycling corporations, with its principal business being the recycling, processing and trading of scrap metals and related products.

The Directors consider that the grant of the General Mandate will provide the Company with financial flexibility to raise equity capital when suitable opportunities arise. Such flexibility may be required to support the Group's general working capital, financing needs, liquidity position and business development, and to enable the Company to respond promptly to market conditions and funding opportunities.

The Directors consider equity financing to be an important source of financing to the Group for its general working capital, settling its financing obligations, and/or financing future investments or business development since the equity financing (i) does not incur any interests on the Group compared to debt financing; (ii) is less costly and time-consuming compared to rights issue or open offer; (iii) has more certainty and is less time consuming than specific mandate which required Shareholders' approval in a general meeting; and (iv) enables the Company to capture any capital raising and/or prospective investment opportunities which may arise from time to time in an efficient manner.

In view of the above, the Directors consider that the grant of the General Mandate is fair and reasonable and in the interests of the Company and the Shareholders as a whole, as it would provide the Company with greater financing flexibility, support the Group's working capital and liquidity needs, and enable the Company to raise funds efficiently should suitable opportunities arise.

NUMBER OF SHARES UNDER THE GENERAL MANDATE

As at the Latest Practicable Date, the Company has 1,605,152,291 Shares in issue. On the basis that there are no changes in the issued share capital of the Company from the Latest Practicable Date up to the date of the Extraordinary General Meeting, the Directors will be authorized to allot and issue up to 321,030,458 new Shares under the General Mandate, representing 20% of the issued share capital of the Company (excluding treasury shares, if any) as at the date of the Extraordinary General Meeting.

LISTING RULES IMPLICATIONS

Pursuant to Rule 13.36 of the Listing Rules, the grant of the General Mandate will be subject to Shareholders' approval.

EXTRAORDINARY GENERAL MEETING

The notice of the Extraordinary General Meeting is set out on page 7 to page 10 of this circular. A proxy form for appointing proxy is despatched with this circular and published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chihogroup.com). Whether or not you intend to attend the Extraordinary General Meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting (i.e. at or before 2:30 p.m. on Monday, 21 September 2026 (Hong Kong time)) or any adjournment thereof. Completion and return of the proxy form shall not preclude you from attending and voting in person at the Extraordinary General Meeting or any adjournment thereof should you so wish.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules all votes at the Extraordinary General Meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution relating purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this circular misleading.

RECOMMENDATION

The Directors consider that the granting of the General Mandate is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolution to be proposed at the Extraordinary General Meeting to give effect to them.

By Order of the Board
Chiho Environmental Group Limited
Fu Tao
Chairman and Executive Director

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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting of Chiho Environmental Group Limited (the "**Company**") will be held at Units 5906-5912, 59th Floor, The Center, 99 Queen's Road Central, Hong Kong on Wednesday, 23 September 2026 at 2:30 p.m. for the following purposes:

ORDINARY RESOLUTION

To consider and, if thought fit, pass with or without amendment(s), the following resolution ("**Resolution**") as an ordinary resolution of the Company ("**Ordinary Resolution**"):

"**THAT:**

(a) subject to paragraph (c) of this Resolution, and pursuant to the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK$0.01 each in the share capital of the Company (the "**Shares**") or securities convertible into Shares and to make or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into Shares) which might require the exercise of such power be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into Shares) which might require the exercise of such power during or after the end of the Relevant Period;

(c) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of rights of subscription or conversion under the terms of any warrants or other securities issued by the Company as at the date of this Resolution carrying a right to subscribe for or purchase Shares or otherwise convertible into Shares; or (iii) the exercise of the subscription rights under the share option schemes of the Company; or (iv) any scrip dividend scheme or similar arrangement for the grant or issue of shares or rights to acquire Shares of the Company, shall not exceed 20% of the total number of shares of the Company in issue (excluding treasury shares, if any) as at the date of the passing of this Resolution provided that if any subsequent consolidation or subdivision of share of the Company is affected, the maximum number of shares that may be issued pursuant to the approval in paragraph (a) above as a percentage of the total number of issued shares immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares shall be adjusted accordingly; and the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution:

"**Relevant Period**" means the period from the passing of this Resolution until whichever is the earlier of:

(i) the conclusion of the next annual general meeting of the Company following the passing of this Resolution;

(ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the articles of association of the Company and any applicable laws;

(iii) the revocation or variation of the authority given under this Resolution by an Ordinary Resolution of the shareholders of the Company in general meeting.

"**Rights Issue**" means an offer of Shares open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company)."

By Order of the Board
Chiho Environmental Group Limited
Fu Tao
Chairman and Executive Director

Hong Kong, 2 September 2026

Registered Office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Principal Place of Business in Hong Kong:
48 Wang Lok Street
Yuen Long Industrial Estate
Hong Kong

Notes:

(1) A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more Shares may appoint more than one proxy to attend and vote instead of him. A proxy need not be a member of the Company.

(2) Where there are joint holders of any Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the meeting, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holder(s). For this purpose, seniority shall be determined by the order in which the names stand on the register of members of the Company in respect of the joint holding.

(3) To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of that power or authority, must be deposited at the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting (i.e. at or before 2:30 p.m. on Monday, 21 September 2026 (Hong Kong time)) or any adjournment thereof.

(4) Shareholders are advised to read the circular to the Shareholders dated 2 September 2026 which contains information concerning the Resolutions to be proposed in this notice.

(5) According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting of the Company must be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be vote on by a show of hands. Accordingly, the Chairman of the Extraordinary General Meeting will exercise his power under the articles of association of the Company to demand a poll in relation to all proposed Resolutions at the Extraordinary General Meeting.

(6) The Extraordinary General Meeting will be held on Wednesday, 23 September 2026 as scheduled regardless of whether or not an amber or red rainstorm warning signal is in force in Hong Kong at any time on that day. Shareholders should decide on their own whether they would attend the meeting under bad weather condition bearing in mind their own situations.

However, if Typhoon Signal No. 8 or above remains hoisted or a Black Rainstorm Warning Signal is in force in Hong Kong at 1:00 p.m. on Wednesday, 23 September 2026, the Extraordinary General Meeting will not be held on that day but will be automatically postponed and, by virtue of this notice, be held at the same time and place on Thursday, 24 September 2026.

(7) The Register of Members of the Company will be closed from Friday, 18 September 2026 to Wednesday, 23 September 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to determine the identity of the shareholders of the Company (the "**Shareholder**") who are entitled to attend and vote at the Extraordinary General Meeting, all duly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Thursday, 17 September 2026.