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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 DECONSOLIDATION OF SUBSIDIARIES

This announcement is made by Chiho Environmental Group Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

DECONSOLIDATION OF SUBSIDIARIES

Reference is made to the announcements of the Company dated (i) 5 July 2018 in relation to, among other matters, a 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; (ii) 3 April 2024 in relation to the payment default of the Facility Agreement; (iii) 20 May 2025 in relation to the appointment of receivers over the shares of certain wholly-owned subsidiaries of the Company; (iv) 5 June 2025 in relation to the issue of a writ of summons; (v) 6 May 2026 in relation to the disposal of assets by Receivers; (vi) 7 July 2026 in relation to the issue of a writ of summons; (vii) 31 July 2026 and 12 August 2026 in relation to the disposal of the Scholz Group by the Receivers; (viii) 19 August 2026 in relation to the discontinuance of legal proceedings; and (ix) 7 September 2026 in relation to the release of the Share Charges over the shares in CRIH, CRD and CTRL (collectively, the “**Announcements**”). Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

Following the sale of the Scholz Group, the Company has been in discussion with its auditors in relation to the accounting treatment of Scholz Group. Having taken into account the applicable requirements under the Hong Kong Financial Reporting Standards in relation to the consolidated financial statements of the Group for the year ended 31 December 2025, the Board considers that the Scholz Group shall be deconsolidated from the Group with effect from the date of appointment of the Receivers over the shares of CRD, CRIH and CTRL, being 14 May 2025, (the “**Scholz Deconsolidation**”), on the basis that, following their appointment, the Receivers appointed a majority of the directors to the boards of CRD, CRIH and CTRL on 14 May 2025, and the Company was therefore unable to exercise control over CRD, CRIH and CTRL, and lost its ability to influence the affairs of the Scholz Group through its interests in CRD and CRIH.

In light of the above circumstances, the Group will exclude the financial position of Scholz Group as at and after 14 May 2025 and the results and cash flows of the Scholz Group since 14 May 2025 from the consolidated financial statements of the Group for the financial year ended 31 December 2025. The Board considers that the consolidated financial statements of the Group for the year ended 31 December 2025 be prepared on such basis will present the financial results and position of the Group more fairly as a whole having regard to the circumstances of Scholz Group.

IMPACT OF THE DECONSOLIDATION

The Board considers that the Scholz Deconsolidation will have a significant impact on the consolidated financial statements of the Group for the year ended 31 December 2025. Further details of the financial impact of the Scholz Deconsolidation are set out in the Company’s unaudited interim results for the six months ended 30 June 2025 and 2026 and its unaudited annual results for the year ended 31 December 2025, both of which will be published on 30 September 2026.

CONTINUED SUSPENSION OF TRADING

Trading in the Company's shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2025, and will remain suspended until further notice pending the fulfilment of the Resumption Guidance. Further announcement(s) will be made by the Company as and when appropriate and in compliance with the requirements under the Listing Rules.

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

Hong Kong, 30 September 2026

* *For identification purpose only*

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

Executive Directors:

Mr. Fu Tao (*Chairman*)
Ms. Zhang Aoxue
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