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**C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED**  
(Incorporated in Bermuda on 24 September 2004)  
(Registration Number 35842)  
(the “**Company**”)

**Incorporation of Investment Holding Company for Dalian and Guiyang  
Waste-to-Energy Project**

The Board of Directors of C&G Environmental Protection Holdings Limited (“C&G” or the “Group”) wishes to announce that the Group has incorporated two wholly-owned subsidiaries in Hong Kong known as C&G Hong Kong (Dalian) Company Limited and C&G Hong Kong (Guiyang) Company Limited (the “Subsidiaries”).

The principal activity of the Subsidiaries is to act as an investment holding company for Dalian and Guiyang waste-to-energy projects.

The incorporation of the Subsidiaries was funded by internal resources and is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the financial year ending December 31, 2013.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

**BY ORDER OF THE BOARD**

**Lin Yan**

Executive Chairman & Chief Executive Officer

4 January 2013