

**C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED**

(Incorporated in Bermuda on 24 September 2004)

(Registration Number 35842)

(the “Company”)

**Collection of Outstanding Receivables on Electricity Subsidy of HK\$33.3 Million**

The Board of Directors of C&G Environmental Protection Holdings Limited (“C&G” or the “Group”) is pleased to announce that the Group has collected the outstanding receivables on electricity subsidy of HK\$33.3 million for the operating plants, namely Jinjiang, Huian and Anxi projects. The projects have previously been listed on the memorandums issued by the Ministry of Finance of the PRC, National Development and Reform Commission and National Energy Administration up to 29 March 2013, to be entitled for settlement of outstanding electricity subsidy for the period from 1 January 2012 to 31 December 2012.

The collection of electricity subsidy receivables of HK\$33.3 million is equivalent to 24.6% of the outstanding trade receivables of HK\$135.6 million as at 31 March 2013.

Mr Lin Yan, Executive Chairman & Chief Executive Officer, said: “The successful collection of outstanding receivables on electricity subsidy is a welcomed relief on our cash flow. We believe that the remaining receivables for all operating plants will be settled in due course.”

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 &amp; Chief Executive Officer

May 29, 2013