

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

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**THE PROPOSED SALE OF THE WASTE-TO-ENERGY (“WTE”) BUSINESS AND ASSETS (INCLUDING CONCESSIONS RIGHTS) AND PRINCIPAL OPERATING SUBSIDIARIES OF C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED IN THE PEOPLE’S REPUBLIC OF CHINA (“PRC”)**

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*Unless otherwise defined herein, all capitalised terms and references used herein shall bear the same meanings ascribed to them in the announcement dated 23 October 2013.*

In the announcement dated 23 October 2013, the Board of Directors (the “**Board**”) of C&G Environmental Protection Holdings Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) announced that the Company had entered into a LOI with a potential buyer in respect of a proposed sale of the Group’s PRC WTE Business and Assets.

The Board wishes to announce that the potential purchaser is 南海发展股份有限公司 (Nanhai Development Co. Ltd), (the “**Purchaser**”), a public company listed on the Shanghai Stock Exchange, the PRC.

The Purchaser is proposing to acquire the Group’s PRC WTE Business and Assets through the acquisition of 100% of the shareholding of 创冠环保(中国)有限公司 (C&G Environmental Protection (China) Company Limited), a wholly-owned subsidiary of C&G Environmental Protection (Hong Kong) Company Limited which is in turn a wholly-owned subsidiary of the Company.

The Purchaser is a public company listed on the SSE and based in Nanhai District, Foshan City, Guangdong Province, PRC. The Purchaser, together with its subsidiaries engages in the tap water supply, sewage treatment, solid waste treatment and disposal, gas service and waste incineration power generational businesses in China.

As at the date of this announcement, the Company and the Purchaser are currently in the process of carrying out the necessary due diligence in negotiations with a view to enter into a definitive sale and purchase agreement (“**SPA**”)

**CAUTIONARY STATEMENT**

**Shareholders should note that the Proposed Sale remains subject to the execution of the SPA. The Company will make an announcement disclosing further details of the Proposed Sale upon execution of the SPA and will make appropriate update announcement(s) on the Proposed Sale at the relevant time.**

**Shareholders are advised to exercise caution in trading their shares as there is no certainty or assurance as at the date of this announcement that the SPA will be entered into or that the Proposed Sale will be completed. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.**

By Order of the Board

Lin Yan  
Executive Chairman & Group Chief Executive Officer  
24 November 2013