

**C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED**

(Incorporated in Bermuda on 24 September 2004)

(Company Registration Number: 35842)

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**UPDATE ON THE STATUS FOR THE TRANCHE 2 PAYMENT FOR THE DISPOSAL OF THE ENTIRE EQUITY INTERESTS OF THE WASTE-TO-ENERGY BUSINESS, ASSETS (INCLUDING CONCESSIONS RIGHTS) AND PRINCIPAL OPERATING SUBSIDIARIES OF C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED IN THE PRC**

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*Unless otherwise defined herein, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the Company's announcements dated 23 October 2013, 24 November 2013, 24 December 2013, 29 January 2014, 8 April 2014, 7 May 2014, 30 June 2014, 7 July 2014, 14 August 2014, 15 September 2014, 22 October 2014, 29 October 2014, 15 December 2014, 22 December 2014, 29 December 2014 and 5 January 2015 and 30 January 2015 (the "**Previous Announcements**") and its circular to shareholders dated 14 April 2014 (the "**Circular**").*

The Board of C&G Environmental Protection Holdings Limited (the "**Company**") refers to the Previous Announcements and the Circular and wishes to inform Shareholders that the completion conditions for Dalian project as stated in the Acquisition Agreement had been fulfilled and the gross sub-tranche payment of RMB100million out of the Tranche 2 Payment had been duly received on 25 March 2015. Of which, the tax amount of RMB10million was deducted and paid to the Tax Bureau of Guangdong Province, PRC. The net sub-tranche payment received was RMB90million.

The remaining Tranche 2 Payment (RMB200million) of the Cash Consideration for Xiaogan project and Guiyang project is conditional upon fulfilment of a number of conditions as specified in the Circular. The Board will keep Shareholders informed of further significant developments.

By Order of the Board

Lin Yan  
Executive Chairman & Group Chief Executive Officer  
25 March 2015