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## C&G to benefit from NDRC's upward adjustment to the Waste-to-Energy Electricity Tariff

- ***Favourable government policy on WTE electricity tariff at RMB0.65/kWh is expected to boost the revenue stream for C&G***
- ***The implementation of the policy will have a positive impact for the Group's BOT projects.***
- ***C&G continues to benefit from China's national policies in the alternative, clean-energy sector***

**Singapore, May 10, 2012** – SGX Mainboard-listed C&G Environmental Protection Holdings Limited (“C&G” or “the Group”), a leading Waste-to-Energy (“WTE”) investor and operator in China, is pleased to announce that the favourable government policy on WTE electricity tariff is expected to boost the revenue stream for the Group.

The National Development and Reform Commission (“NDRC”) of the PRC has issued a “Notice in Relation to the Optimisation of Waste-to-energy Electricity Tariff Policy” to standardise the electricity tariff of all WTE projects across different provinces of the PRC at RMB0.65/kWh, effective from 1 April, 2012. The notice, which is an upward adjustment of the tariff, is indicative of the Chinese government's supporting of the WTE industry.

The Group has a total of 10 Build-Operate-Transfer (“BOT”) projects in place; five WTE plants are currently in operation: Jinjiang, Hui'an, Anxi, and Fuqing in Fujian Province; and Huangshi in Hubei Province, with a total daily waste treatment capacity of 4,500 tonnes. An additional five more plants are slated to commence operation in 2011 - 2013: Jianyang and Nanping in Fujian Province; Langfang in Hebei; Yingkou in Liaoning Province; and Xiaogan in Hubei Province. The adjustment of the electricity tariff of the WTE projects is expected to benefit the Group's related business. The implementation of the new electricity tariff policy up to RMB0.65/kWh will have a positive impact for the Group's BOT projects.

Mr Lin Yan, Executive Chairman and Group CEO, said: “Under the support of favourable national policies implemented by the Chinese government, C&G is able to seize opportunities and continue to position ourselves in becoming a leading environmental player in the alternative, clean-energy sector. In addition, we will be able to further demonstrate our commitment to create a more sustainable future for communities.”

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## **ABOUT C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED**

Headquartered in Hong Kong and listed on the SGX Mainboard since April 2005, C&G Environmental Protection Holdings Limited (formerly C&G Industrial Holdings Limited), is a leading Waste-to-Energy (“WTE”) investor and operator.

Specialising in the investment, construction, operation and maintenance of WTE plants, the Company is led by professional industry veterans with a wealth of experience in WTE technology management, infrastructure development and are well-respected and connected with industry players.

C&G invests in, constructs, operates and maintains waste incineration power plants for the treatment of Municipal Solid Waste (“MSW”) under the Build-Operate-Transfer (“BOT”) investments schemes in China. Under the BOT scheme, recurring revenue from the Group’s WTE business comprises mainly Power Generation and Tipping Fee. C&G is committed to the preservation of its environment and the improvement of quality of living through the latest waste treatment technology.

The Company currently operates five WTE plants: Jinjiang, Hui’an, Anxi, Fuqing in Fujian; and Huangshi in Hubei, as well as a sludge treatment plant in Jinjiang. An additional five more plants are slated to commence operation in 2011 - 2013: Jianyang and Nanping in Fujian; Langfang in Hebei; Yingkou in Liaoning; and Xiaogan in Hubei.