

C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED

(Incorporated in Bermuda on 24 September 2004)

(Company Registration Number: 35842)

FRAMEWORK AGREEMENT IN RESPECT OF THE PROPOSED SALE OF THE WASTE-TO-ENERGY BUSINESS AND ASSETS (INCLUDING CONCESSIONS RIGHTS) AND PRINCIPAL OPERATING SUBSIDIARIES OF C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED IN THE PEOPLE'S REPUBLIC OF CHINA

Unless otherwise defined herein, all capitalised terms and references used herein shall bear the same meanings ascribed to them in the Company's announcements dated 23 October, 24 November and 24 December 2013 respectively.

For the purpose of this announcement, unless otherwise stated, the exchange rates of S\$1 to RMB4.8 (as published on Bloomberg as at 23 December 2013) will be applied throughout this announcement for illustrative purposes only.

The Board of Directors (the "**Board**") of C&G Environmental Protection Holdings Limited refers to the announcement dated 24 December 2013 (the "**Announcement**") wherein it was announced that the Company's subsidiary, C&G (HK) had entered into the Framework Agreement, *inter alia*, to sell the entire shareholdings of C&G (China) for an estimated Consideration of RMB1.85 billion (equivalent to approximately S\$385.4 million), to be satisfied in part in cash and in part by way of allotment and issue of the Consideration Shares.

Paragraphs 2.2.4 and 2.5 of the Announcement erroneously stated that RMB7.5 billion of the Consideration shall be satisfied by way of allotment and issue of the Consideration Shares. The correct figure should be RMB0.75 billion (equivalent to approximately S\$156.25 million). Accordingly, RMB0.75 billion (equivalent to approximately S\$156.25 million) of the Consideration shall be satisfied by way of allotment and issue of not more than 89,928,058 Consideration Shares.

The Board also wishes to further clarify that the payment for each of the Sub-tranches for Tranche 2 Payment is subject to the fulfillment of the agreed conditions necessary for the commencement of construction works for each of the Guiyang BOT project, Xiaogan BOT project and the Dalian BOT project and not upon the completion of each BOT project.

By Order of the Board

Lin Yan
Executive Chairman & Group Chief Executive Officer
26 December 2013