

C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED

(Incorporated in Bermuda on 24 September 2004)

(Company Registration Number: 35842)

RECEIPT OF SUPPORT LETTER FOR MALAYSIA WTE PROJECT

The Board of Directors of C&G Environmental Protection Holdings Limited (“the Group”) wishes to announce that the Group’s joint venture, C&G Padu Sdn Bhd (“C&G Padu”), has received a Support Letter from State's Economic Planning Unit for the Proposed Waste-To-Energy (“WTE”) plant in Terengganu, Malaysia. The Terengganu WTE project is designed to have a daily waste handling capacity of 800 tonnes and would be able to generate between 15MW and 18MW of electricity. The total investment of the project is estimated to be not less than RM450million.

Earlier, on 11 July 2013, C&G Environmental Protection (Hong Kong) Company Limited entered into a Joint Venture Agreement with Dian Padu Sdn Bhd (DPSB), to form a joint venture, namely C&G Padu. C&G Padu was incorporated to develop the 800 tonnes/day WTE Plant in Terengganu, Malaysia for a concession period of 30 years.

C&G Padu will enter into negotiations with the State Government of Terengganu on the terms of the investment and seeks to obtain all necessary approvals, including but not limited to the Renewable Energy Power Purchase Agreement with Tenaga Nasional Bhd, Malaysia’s power distribution company. The Terengganu WTE project is subject to a negotiation process and is expected to contribute financially to the Group upon commencement of operations.

None of the Directors or controlling shareholders of the Group has any interest, direct or indirect, in the above transaction.

BY ORDER OF THE BOARD

Lin Yan

Executive Chairman & Chief Executive Officer

22 January 2014