

C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED

(Incorporated in Bermuda on 24 September 2004)

(Company Registration Number: 35842)

UPDATES IN RELATION TO:

- (1) CASH COMPANY STATUS UNDER RULE 1018(2) OF THE LISTING MANUAL; AND**
 - (2) NON- BINDING TERM SHEET IN RELATION TO THE PROPOSED TRANSACTION OF A NEW BUSINESS**
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Capitalised terms not defined herein shall bear the same meaning ascribed to them in the Term Sheet Announcement (as defined herein).

1. Introduction

The Board of Directors (the “**Board**”) of C&G Environmental Protection Holdings Limited (the “**Company**”) refers to the Company’s announcements dated (a) 30 December 2016 (“**Cash Company Announcement**”) in relation to its status as a cash company as defined under Listing Rule 1018, and (b) 28 December 2017 (the “**Term Sheet Announcement**”), 30 January 2018 and 23 February 2018, in relation to the non-binding Term Sheet in respect of the Proposed Transaction.

2. Extension of time to sign Definitive Agreement

As announced in the Cash Company Announcement, the Company became a cash company as defined under Listing Rule 1018 effective from 30 December 2016. The Company made an application to the SGX-ST to seek an extension of time pursuant to Listing Rule 1018 to facilitate the process of the Proposed Transaction in a manner that is compliant with the Listing Rules (which includes conducting adequate due diligence on the Target Group to ensure compliance with the Listing Rules).

On 23 March 2018, the SGX-ST granted the Company an extension till 31 May 2018 (being a period of 5 months commencing from 31 December 2017) to sign the Definitive Agreement and finalise the appointment of the financial adviser in respect of the Proposed Transaction.

Following signing of the Definitive Agreement, the Company intends to make a further application to the SGX-ST for extension of time pursuant to Rule 1018(2) of the Listing Manual to complete the Proposed Transaction.

3. Status of Definitive Agreement

As of the date of this announcement, the Parties are still in the process of negotiating and finalising the Definitive Agreement and are conducting appropriate due diligence to ensure compliance with the Listing Rules.

The Company will make further announcements, in compliance with requirements of Chapter 9 and 10 of the Listing Rules, upon the execution of the Definitive Agreement and/or when there are material developments in respect of the Proposed Transaction.

4. CAUTION IN TRADING

Shareholders and potential investors are advised to exercise caution in trading the shares in the Company as there is no certainty or assurance as at the date of this announcement that the Definitive Agreement will be entered into, the terms and conditions of the Proposed Transaction will not differ from that set out in the Term Sheet, or the Proposed Transaction will be undertaken at all.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take.

BY ORDER OF THE BOARD

Lam Chik Tsan

Executive Chairman and Group Chief Executive Officer

23 March 2018