

C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED

(Incorporated in Bermuda on 24 September 2004)

(Company Registration Number: 35842)

LETTER OF EXTENSION FOR NON-BINDING TERM SHEET IN RELATION TO THE PROPOSED TRANSACTION OF A NEW BUSINESS

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 28 December 2017 (the “**Term Sheet Announcement**”) and 30 January 2018, in relation to the non-binding Term Sheet in respect of the Proposed Transaction.

2. EXTENSION OF TERM SHEET

The Board wishes to announce that 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.

In view thereof, to facilitate the continued negotiations and finalisation of the Definitive Agreement and ensure compliance with the Listing Rules upon execution of the Definitive Agreement, the Parties have entered into a letter of extension (“**Letter of Extension**”) pursuant to which the Parties have mutually agreed to extend the deadline for execution of a Definitive Agreement to 31 March 2018. Save in respect of the above, there are no other changes to the terms of the Term Sheet.

3. FURTHER ANNOUNCEMENTS

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.

The Board wishes to remind Shareholders that there is no assurance that the SGX-ST will grant the extension of time that the Company has applied for pursuant to Rule 1018(2) of the Listing Rules and the SGX-ST may proceed to remove the Company from the Official List if such extension of time is not given.

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 February 2018