

C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED

(Incorporated in Bermuda on 24 September 2004)

(Company Registration Number: 35842)

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The Board of Directors (the “**Board**”) of C&G Environmental Protection Holdings Limited wishes to provide the information set out below, in response to queries received on 18 April 2019 from the SGX-ST:

Query 1

We refer to C&G Environmental Protection Holdings Limited's (the “Company's”) Annual Report 2018 that was filed on 8 April 2019. Noting that the auditors had raised going concern issues, please announce the required information pursuant to Listing Rule 704(5). Please provide the Board's opinion on whether the Company will be able to operate as a going concern and the basis for the Board's views. To also provide the Board's confirmation that all material disclosures have been provided for orderly trading of the Company's shares to continue.

Company's response:

The Company's independent auditor, Mazars LLP, without qualifying its opinion, has included in the Independent Auditor's Report an emphasis of matter on the financial statements of the Company for the financial year from 1 January 2018 to 31 December 2018 (the “Audited Financial Statements FY2018”). Please refer to the attached aforesaid Independent Auditor's Report and Note 1.1 to the Audited Financial Statements FY2018 for information. The Board is of the opinion that the continuing use of going concern assumption in the preparation of the financial statements is appropriate on the basis that the Company has the continuing financial support from the Company's substantial shareholder to meet its liabilities and its normal operating expenses to be incurred.

In addition, the Company had on 8 February 2019, obtained an approval from SGX-ST for a further extension till 31 October 2019 for the completion of proposed acquisition of PMCR Target Group, to meet the requirements of a new listing under to Listing Rule 1018(2). Please refer to Note 1.1 to the Audited Financial Statements FY2018 attached herein.

The Board (i) is in the opinion that sufficient information has been disclosed for trading of the Company's securities to continue in an orderly manner; and (ii) confirmed that all material disclosures have been provided for trading of the Company's shares to continue.

Query 2:

In response to SGX Regco's query on 14 March 2019, the Company stated that the appointment of two(2) independent directors ('IDs') would be completed by 30 April 2019. However, we note that only one(1) ID, Mr Leow Yong Kin, has been appointed. Please provide an update on the Board's progress in appointing a 2nd ID to comply with Listing Rule 221 and Principle 2 of the Code.

Company's response:

The Company is in the process to review the expertise, experience and independence of the short-listed candidate. The Company is trying to complete the appointment of the second independent director by 30 April 2019.

Query 3:

Please disclose whether the Company will be publishing a Sustainability Report pursuant to Listing Rule 711A. If not, please state the reasons for non-disclosure of a sustainability report.

Company's response:

The Company would like to inform shareholders that the Company is unable to meaningfully produce and issue a sustainability report for FY 2018 as required under Rule 711A of the Listing Manual.

The Company has disposed all the businesses on 30 December 2016. The Company's sustainability report for FY2018 will not be applicable as it became a cash company from 30 December 2016 and did not have any business operations in 2018. Therefore, the Company will not be able to meaningfully issue its sustainability report for FY2018 as required under Rule 711A of the Listing Manual.

BY ORDER OF THE BOARD

Lam Chik Tsan
Executive Chairman and Chief Executive Officer
23 April 2019