

C&G ENVIRONMENTAL PROTECTION HOLDINGS LIMITED

(Incorporated in Bermuda on 24 September 2004)

(Company Registration Number: 35842)

UPDATE ON DELISTING NOTIFICATION

Capitalised terms not defined herein shall bear the same meaning ascribed to them in the Company's announcements dated 5 June 2018, 31 July 2018, 5 August 2018, 15 October 2018, 12 February 2019, 9 April 2019, 24 July 2019, 31 October 2019, 6 November 2019, 10 November 2019 and 13 November 2019 (the "Previous Announcements").

1. The Board of Directors (the "**Board**") of C&G Environmental Protection Holdings Limited (the "**Company**") refers to the announcement dated 6 November 2019 and 10 November 2019 in relation to the Delisting Notification issued by the SGX-ST to the Company pursuant to Rule 1018(2) of the Listing Manual.
2. The Company had on 22 November 2019, made an appeal to the SGX-ST against the Delisting Notification and apply for an extension of time till 31 October 2020 to submit to the SGX-ST the shareholders circular and listing application pursuant to Rule 1018 in relation to the Proposed Transaction.
3. The SGX-ST had on 29 November 2019 informed the Company that the Company's appeal has been rejected for the following reasons:
 - a. The Company became a cash company on 30 December 2016 under Listing Rule 1018, following the completion of the disposal of its wholly-owned subsidiaries. The net proceeds from the disposal amounted to RMB 814.5 million. Of these proceeds, HK\$777.7 million was distributed to shareholders on 5 April 2017. The Company retained a cash of HK\$11.2 million to cover the working capital and costs of acquiring a new business. As at 30 September 2019, the retained cash balance of HK\$11.2 million had depleted to HK\$128,000.
 - b. Listing Rule 1018(2) states that: "The Exchange will proceed to remove an issuer from the Official List if it is unable to meet the requirements for a new listing **within 12 months from the time it becomes a cash company**. The issuer may apply to the Exchange for a maximum 6-month extension to the 12-month period if it has already signed a definitive agreement for the acquisition of a new business, **of which the acquisition must be completed in the 6-month extension period**. The extension is subject to the issuer providing information to investors on its progress in meeting key milestones in the transaction. **In the event the issuer is unable to meet its milestones or complete the relevant acquisition despite the time extension granted, no further extension will be granted** and the issuer will be removed from the Official List and a cash exit offer in accordance with Rule 1309 should be made to the issuers' shareholders within six months [bolded for emphasis]."
 - c. Pursuant to Listing Rule 1018(2), the Company was required to have met the requirements for a new listing by 29 December 2017. Notwithstanding this, the Company was given several extensions totalling 22 months. As announced by the Company on 12 February 2019, the SGX-ST had, by way of a letter dated 8 February 2019, granted the Company an extension of time till 31 October 2019 to complete the Proposed Transaction pursuant to Rule 1018(2) of the Listing Manual. As announced by the Company on 31 October 2019, the Company had not met the EOT conditions

due to certain unforeseen delays as a result of issues faced by the Vendor. As such, the completion of the Proposed Transaction will be delayed beyond 31 October 2019.

- d. The Company was acutely aware of the lapse of the Sale and Purchase Agreement for the Proposed Transaction on 31 May 2019, as stated in the Company's announcement on 24 July 2019. Despite the lapsing of the Long-Stop Date of the Sale and Purchase Agreement on 31 May 2019, the Company did not extend the date. The Company proceeded to take action to do so on 13 November 2019, a week after the Delisting Notification date 5 November 2019.
 - e. As the Company has been given an overly extended timeline of 22 months compared to the 12 + 6 months set out in Listing Rule 1018(2), and the Delisting Notification has since been issued, the Delisting Notification cannot be reversed.
 - f. **Therefore the Company will be delisted from the SGX-ST on the Delisting Date of 18 December 2019 with effect from 9.00 a.m.**
4. The Company will make the necessary announcements when there are further developments on the Proposed Transaction.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. The Company would like to inform investors and shareholders of the Company to exercise caution when trading in its shares, and if in doubt, they should consult their financial or other professional advisor(s).

BY ORDER OF THE BOARD

Lam Chik Tsan
Executive Chairman and Group Chief Executive Officer
1 December 2019