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China Dredging Environment Protection Holdings Limited

中國疏浚環保控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 871)

COMPLETION OF DISCLOSEABLE TRANSACTION ACQUISITION OF LAND USE RIGHT WITH PROPERTY AND MACHINERY INVOLVING THE ISSUE OF CONSIDERATION SHARES UNDER THE GENERAL MANDATE

Reference is made to (i) the Company's announcement dated 7 November 2016 in relation to, among other things, the acquisition agreement dated 4 November 2016 made between the Vendor and the Purchaser for the acquisition of certain land use rights with property and machinery; and (ii) the Company's announcements dated 15 November 2016 and 16 November 2016 respectively (collectively, the "Announcements") in relation to, among other things, the Framework Agreement (as amended by a supplemental framework agreement and a second supplemental framework agreement). Unless the context otherwise requires, capitalised terms used in this announcement have the same meanings as those defined in the Announcements.

COMPLETION OF THE ACQUISITION

The Board announces that Completion took place on 24 November 2016 in accordance with the terms and conditions of the Sale and Purchase Agreement and the Subscription Agreement. An aggregate of 246,000,000 Consideration Shares were allotted and issued to the Vendor's nominee at the issue price of HK\$0.35 each pursuant to the Subscription Agreement.

CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company immediately prior to and upon Completion:

Shareholders	Immediately prior to Completion		Immediately upon Completion	
	No. of Shares	%	No. of Shares	%
Wangji Limited (<i>Note 1</i>)	351,600,000	28.54	351,600,000	23.79
Mr. Liu Kaijin (<i>Note 2</i>)	37,503,000	3.04	37,503,000	2.54
東台際華機械配件有限公司	171,120,000	13.89	171,120,000	11.58
貴州盤江貿易有限公司	85,560,000	6.94	85,560,000	5.79
Vendor or its nominee (<i>Note 3</i>)	—	—	246,000,000	16.64
Public Shareholders	<u>586,281,000</u>	<u>47.59</u>	<u>586,281,000</u>	<u>39.66</u>
Total:	<u>1,232,064,000</u>	<u>100.00</u>	<u>1,478,064,000</u>	<u>100.00</u>

Notes:

1. Mr. Liu Kaijin (“Mr. Liu”) is the sole beneficial owner of Wangji Limited which is the direct owner of the 351,600,000 Shares. Further, Mr. Liu is the beneficial owner of 37,503,000 Shares.
2. Mr. Liu is the chairman, executive Director and chief executive officer of the Company.
3. The Vendor may nominate a company to take up the Consideration Shares as a nominee and such Consideration Shares shall be pledged to the Bondholder to secure the performance of the Company’s obligations under the Framework Agreement.

By order of the Board
China Dredging Environment Protection Holdings Limited
Liu Kaijin
Chairman, chief executive officer and executive Director

Hong Kong, 24 November 2016

As at the date of this announcement, the Board comprises Mr. Liu Kaijin as Chairman, Executive Director and Chief Executive Officer; and Ms. Zhou Shuhua as executive Director; Mr. Liu Longhua as non-executive Director and Vice Chairman; and Mr. Huan Xuedong, Mr. Chan Ming Sun Jonathan and Mr. Liang Zequan as Independent Non-executive Directors.