



CHINA ENVIRONMENT LTD.

(Registration No.: 200301902W)

ANNOUNCEMENT ON SUPPLEMENTARY AGREEMENT PURSUANT TO THE LOAN FACILITIES AGREEMENT ENTERED INTO WITH FIRSTLINK INVESTMENTS CORPORATION LIMITED

The Board of Directors (the “**Board**”) of China Environment Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 16 September 2016, entered into a supplementary agreement with Firstlink Investments Corporation Limited (“**Firstlink**”) (“**Supplementary Agreement**”) pursuant to the Loan Facilities Agreement (the “**Agreement**”) which the Company and Firstlink have entered into on 20 June 2016. The following are the salient terms of the Supplementary Agreement:

- (1) The term of the loan is extended by 2 months, i.e. up to 20 November 2016 (“**Extended Term**”) with an option to further extend upon the expiry of the Extended Term subject to mutual agreement between the Company and Firstlink; and
- (2) In view of the Extended Term, the Company would procure the execution and delivery of a registration/deed of charge in respect of 100% of the issued shares of its wholly-owned subsidiary, Fujian Dongyuan Environmental Protection Co., Ltd., which in turn is the holding company of Anhui Dongyuan Environmental Protection Co., Ltd, as an added security for the payment of all amounts owing under the Agreement.

By Order of the Board

Norman Winata
Executive Chairman
20 September 2016