



CHINA ENVIRONMENT LTD.

(Registration No.: 200301902W)

INTENTION TO TRANSFER LISTING TO THE CATALIST SPONSORED REGIME

The Board of Directors of China Environment Ltd. (the “**Company**”) and together with its subsidiaries (the “**Group**”) wishes to announce that it is considering a transfer of the Company’s listing from the Main Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) to the Catalist board of the SGX-ST (the “**Proposed Transfer**”).

The Board believes that the Proposed Transfer will provide the Company with a more suitable platform for the listing and trading of the shares of the Company (“**Shares**”) as the Catalist provides a more conducive platform for companies who require a flexible regulatory system to float their shares. In addition, the Board believes that the Proposed Transfer will position the Company appropriately and better allow the Company to attract investors in the future for the purposes of fundraising and potential acquisitions and disposals.

The Proposed Transfer is subject to, *inter alia*, the in-principle approval of the SGX-ST for the Proposed Transfer, and the approval of the shareholders of the Company (the “**Shareholders**”) at an extraordinary general meeting of the Company to be convened. The Company will make an application to the SGX-ST in relation to the Proposed Transfer in due course, and will provide updates to the Shareholders on the outcome of the application in respect of the Proposed Transfer.

The Company is currently in discussions with Asian Corporate Advisors Pte. Ltd. (“**ACA**”) to be appointed as the Company’s continuing sponsor, subject to, *inter alia*, the Proposed Transfer taking effect and ACA being satisfied with its due diligence on the Group.

The Company will update the Shareholders as and when there are any material developments in respect of the Proposed Transfer.

Shareholders are advised to exercise caution when trading their Shares as there is no certainty

or assurance as at the date of this announcement that approval for the Proposed Transfer will be obtained or if the Proposed Transfer will be undertaken at all. In addition, there is no assurance that ACA will be appointed as the Company's continuing sponsor. 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 advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

China Environment Ltd.

Huang Min
Executive Chairman
4 December 2015