



**CHINA ENVIRONMENT LTD.**  
(Registration No.: 200301902W)

---

## **RESULT OF PRC COURT HEARINGS**

---

The Board of Directors (the “Board”) of China Environment Ltd. (the “Company”) refers to the Company’s announcement dated 6 February 2017 informing the shareholders of civil suits against the Company’s wholly owned subsidiary Fujian Dongyuan Environmental Protection Co., Ltd (“FJDY”). The Company has updates on the following civil suits announced on 6 February 2017:

- (i) Civil Suit by Bank of China Bengbu against FJDY announced on 25 November 2016

Judgement was awarded to plaintiff. The judgment provides that FJDY shall be liable for the RMB20 million corporate guarantee that FJDY allegedly entered into for Bengbu Xingyuan Environmental Protection Technology Co., Ltd (“BBXY”). The Court also ordered that costs of RMB144536 shall be paid by BBXY and FJDY. FJDY is currently taking legal advice from its Chinese lawyers and considering its options.

The Company will update the shareholders as and when there are further material developments

**BY ORDER OF THE BOARD**  
China Environment Ltd.

Norman Winata  
Executive Chairman  
7 June 2017