



CHINA ENVIRONMENT LTD.

(Registration No.: 200301902W)

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- 1) **EXTENSION OF DEADLINE TO RESTATE, RE-AUDIT AND RE-FILE THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2013 (“FY2013”) AND 31 DECEMBER 2014 (“FY2014”)**
 - 2) **EXTENSION OF TIME TO HOLD ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (“FY2015”)**
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1. INTRODUCTION

The Board of Directors of China Environment Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”), wishes to announce the extension of deadline to restate, re-audit and re-file the FY2013 and FY2014 Financial Statements and extension of deadline to hold Annual General Meeting (“AGM”) for FY2015 granted by The Accounting and Corporate Regulatory Authority (“ACRA”) and the Singapore Exchange Securities Trading Ltd (“SGX-ST”).

2. EXTENSION OF DEADLINE TO RESTATE, RE-AUDIT AND RE-FILE THE FINANCIAL STATEMENTS FOR THE FY2013 AND FY2014 FINANCIAL STATEMENTS GRANTED BY ACRA

As announced on 16 June 2016, pursuant to the ACRA’s Financial Reporting Surveillance Programme, ACRA has requested the Company to restate and re-file the Company’s audited financial statements for the FY2013 and FY2014.

Under the ACRA’s Financial Reporting Surveillance Programme, ACRA had on 21 August 2015 issued a warning letter under section 201(3A) of the Companies Act, Cap 50, to Mr. Huang Min and Mr. Wu Jida, two of the Company’s directors who were responsible for the financial management of the Company followed by an Advisory Letter with respect to the audited financial statements for the FY2013 (“Advisory Letter”) to the then Board of Directors of the Company on 23 October 2015.

The Company had made an application for waiver of restatement and re-filing of the audited financial statements for the FY2013 and FY2014 and provided further information including but not limited to computations to ACRA on the ground that there were no material differences arising therefrom. Nevertheless, ACRA via its letter to the Company dated 20 May 2016, followed by a meeting with ACRA on 7 June 2016, informed the Company that ACRA is unable to grant waiver from restating both the FY2013 and FY2014 Financial Statements. Accordingly, the Company is required to restate and re-file FY2013 and FY2014 Financial Statements by 7

October 2016 with the condition that ensure both sets of the restated financial statements receive “Unqualified” audit opinions.

As a result of the requirement for restatement and re-filing of the financial statements for FY2013 and FY2014, the Company’s audited financial statement for FY2015 will also be deferred until the completion of the FY2013 and FY2014.

The Company had on 14 September 2016 applied for extension of time to restate, re-audit and re-filing of the FY2013 and FY2014 Financial Statements with ACRA. Having considered the Company’s application, ACRA has granted the Company an extension of time to restate and re-audit the FY2013 and FY2014 Financial Statements and table them at the AGM by 20 December 2016, and re-file them within 30 days after the AGM.

3. EXTENSION OF TIME TO HOLD AGM FOR FY2015 GRANTED BY ACRA

The Company had on 15 August 2016 applied for extension of time to hold AGM for FY2015 with ACRA. Having considered the Company’s application, ACRA has granted the Company an extension of time under section 175(2) and 201(4) of the Companies Act, Cap 50, to hold its AGM by 20 December 2016, and to lay the financial statements which are made up to 31 December 2015 at the said AGM.

4. FURTHER EXTENSION OF TIME GRANTED BY SGX-ST

The Company had applied to the SGX-ST for further extension of time to comply with Listing Rule 707(1) due to the Company’s FY2015 audit process being delayed as a result of the requirement on the restatement and re-filing of the financial statements for FY2013 and FY2014 (as announced on 16 June 2016) which consequently impacted on the timely audit of the FY2015 financial statements.

The SGX-ST had on 10 August 2016, in response to the Company’s application, informed that it has granted the Company a further extension of time of up to 20 December 2016 (the “Further Extension of Time”) to comply with Listing Rule 707(1) to hold its AGM for FY2015 subject to the following conditions:

- (a) the Company announcing the period of extension granted, the reasons for seeking the extension of time and the conditions as required under Listing Rule 107;
- (b) submission of a written confirmation from the Company that the waiver does not contravene any laws and regulations governing the Company and the articles of association of the Company; and
- (c) the Company convening the annual general meeting of the Company by 20 December 2016 subject to approval of the same from the Accounting & Corporate Regulatory Authority (“ACRA”).

Consequentially to the approval for the extension of deadline to restate, re-audit and re-file the FY2013 and FY2014 Financial Statements and extension of time to hold AGM for FY2015, the Company will be tabling the FY2013, FY2014 and FY2015 Financial Statements at the AGM by 20 December 2016.

The Company will update shareholders on the date of its AGM.

By Order of the Board

Norman Winata
Executive Chairman

19 October 2016